

DOCUMENT RESUME

ED 293 772

SO 019 060

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TITLE Indiana Studies: Hoosier History, Government, and People. Unit V: Depression, Response, and Growth.
INSTITUTION Indiana Council for Social Studies.
SPONS AGENCY Lilly Endowment, Inc., Indianapolis, Ind.
PUB DATE 85
NOTE 94p.; For the other units in this series, see SO 019 056-061. For the accompanying Teacher's Guide, see SO 019 062.
PUB TYPE Guides - Classroom Use - Materials (For Learner) (051) -- Guides - Classroom Use - Guides (For Teachers) (052) -- Historical Materials (060)
EDRS PRICE MF01/PC04 Plus Postage.
DESCRIPTORS Citizenship Education; *Government Role; Political Issues; Secondary Education; Social History; Social Studies; *State Government; *State History; *World Affairs; *World Problems
IDENTIFIERS *Depression (Economic 1929); *Indiana; World War II

ABSTRACT

Unit 5 in this six-unit series on Indiana history designed to be taught in Indiana secondary schools covers the depression years, World War II, and the postwar era. The dramatic changes that took place in Indiana during the depression years are highlighted in chapter 1. The manner in which the state's governor tried to alleviate the effects of the depression through his use of executive power is the focus of this chapter. Also his power to grant reprieves, commutations, and pardons is depicted through the story of the Indiana-born gangster, John Dillinger. The first topic of chapter 2 is the election of 1940. Hoosiers would not allow the Communist Party to be on the ballot in this election. Hoosiers were especially interested in this election due to the presidential candidacy of Wendell Willkie, a native Indianan. The effects of the mobilization for World War II on Indiana's citizens are analyzed. The postwar years from 1945-1960 are the subject of chapter 3. Local issues such as funds for highways, school reorganization, and right-to-work laws are examined. (SM)

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INDIANA STUDIES: HOOSIER HISTORY, GOVERNMENT, AND PEOPLE

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THIS BOOK WAS DEVELOPED WITH SUPPORT FROM THE LILLY ENDOWMENT,
INC. TO THE INDIANA COUNCIL FOR THE SOCIAL STUDIES.

INDIANA STUDIES: HOOSIER HISTORY, GOVERNMENT, AND PEOPLE

UNIT V DEPRESSION, RESPONSE AND GROWTH

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UNIT V - DEPRESSION, RESPONSE AND GROWTH
TIME LINE, Chapter 1 - THE DEPRESSION

INDIANA	THE NATION
Brown Co. State Park opens.	- 1929 - Stock Market crashes. Depression begins.
"Talking" pictures are being shown.	- 1930 - Banks are closing.
Gov. Leslie calls special session of General Assem- bly to limit property taxes.	- 1932 - Reconstruction Finance Corporation is set up. Unemployment and bad economic conditions spread.
Gov. McNutt takes office (Jan.). Reorganization of state agencies is approved. Gross Income Tax Law is passed. Gov. McNutt pardons John Dillinger. Legislature passes law that bars dis- crimination in hiring for public construction projects.	- 1933 - President Roosevelt takes office (Mar.). Civilian Conservation Corps (CCC) is estab- lished. Tennessee Valley Authority (TVA) is created.
John Dillinger is killed. CCC changes face of state parks.	- 1934
Gov. McNutt sends troops into Terre Haute during general strike. Supreme Court rules on amendment process. Black citizens begin to participate more fully on juries.	- 1935 - Work Progress Administra- tion is established. Congress passes Social Security Act. Congress approves National Labor Relations Act. Economy shows some recovery.
Gov. Townsend takes office. Strikers "sit down" in Anderson. Governor urges negotiated labor-manage- ment settlements, not violence. Aid is sent to southern Indiana flood victims. FDR appoints former Gov. McNutt as High Commissioner for the Philippine Islands.	- 1937 - New downturn hits econ- omy. Activity by labor unions increases.

INDIANA

Homer Capehart hosts Corn-
field Conference for
Republicans.

- 1938 -

THE NATION

Continued recession
indicates Depression
is not yet over.

UNIT V

TIME LINE, Chapter 2 - WORLD WAR II: DOMESTIC AND INTERNATIONAL ASPECTS

INDIANA		THE NATION
Television demonstrated in Indianapolis.	- 1939 -	World War II begins in Europe.
Indiana companies start war mobilization. Gov. Townsend sets up Emergency Defense Council. Indiana elects Democrat Henry F. Schricker Governor. Republicans control General Assembly.	- 1940 -	Franklin D. Roosevelt defeats Indiana's Wendell Willkie to win 3rd term. Draft registration begins.
Indiana expands merit system. Construction of military bases and ammunition sites moves forward. Indiana economy grows with defense production.	- 1941 -	Congress approves Lend-Lease Act. U.S. enters the war after Pearl Harbor.
General Assembly limits Governor's powers, but Supreme Court denies laws. Indiana bases include Baer Field, Camp Atterbury, Ft. Benjamin Harrison, Bunker Hill, Stout Field, Bendix Field and Freeman Field.	- 1942 -	Congress approves Office of Price Administration. Americans' rations set for gasoline, sugar, coffee and fuel oil.
U.S. sends Italian prisoners to Camp Atterbury.	- 1943 -	Italy surrenders.
U.S. sends German prisoners to Camp Scott. Hoosiers elect Ralph F. Gates for Governor.	- 1944 -	Allies land at Normandy in Cross Channel Invasion. President Roosevelt re-elected.

UNIT V

TIME LINE, Chapter 3 - DEFINITION AND GROWTH

INDIANA		THE NATION
U.S. begins closing Indiana military bases and ammunition sites. Ralph F. Gates takes office as Governor.	- 1945 -	President Roosevelt dies and President Truman takes office. War ends in Europe. U.S. atomic bombs drop on Japan. Pacific War ends. Troops return home.
The 500 Mile race resumes. German prisoners leave Camp Atterbury. State college enrollments soar.	- 1946 -	Wage and price controls end. Food shortages become common.
Department of Revenue begins functioning. House Concurrent Resolution #2 against federal aid passes.	- 1947 -	Containing Communism and aiding allies blend as U.S. policy. Draft system ends. Congress passes Taft-Hartley Act.
Indiana's Presidential election support goes to losing Republican for 3rd straight time. Henry F. Schricker wins the election to become only governor to serve non-consecutive terms.	- 1948 -	President Truman surprises Thomas E. Dewey as well as pollsters in election victory.
General Assembly bans school segregation. WFBM-TV, Indianapolis, airs 500 Mile race as first major program. WTTV, Bloomington, also telecasts.	- 1949 -	U.S. supports Berlin Airlift, NATO, and Point Four.
	1950 -	Korean conflict begins.
George N. Craig wins Governor's race.	- 1952 -	Dwight D. Eisenhower is President.
	1953 -	Korean conflict ends.

INDIANA

THE NATION

	1954	- Supreme Court calls for school desegregation in <u>Brown vs. Board of Education</u> .
Harold Handley wins election for Governor. Indiana Toll Road opens.	- 1956	- Eisenhower is re-elected.
Right-to-work law passes.	- 1957	
John Birch Society organizes. Vance Hartke defeats Harold Handley in U.S. Senate election. State AFL and CIO merge.	- 1958	
School Corporation Reorganization Act passes.	- 1959	
Matt Welsh is elected Governor.	- 1960	- John F. Kennedy defeats Richard Nixon in presidential election.

UNIT V - DEPRESSION, RESPONSE AND GROWTH
INTRODUCTION

Jim Williams is walking down to the corner grocery, carrying a letter from his brother, Mike, when he spots a buddy.

"Hey, John! How ya' doin'. I got a letter from my brother."

"How's Mike like that government camp?"

"O.K., I guess. Sure beats hanging around here, especially since he can't find a job. But he's not sure how long he can keep still."

"Keep still?"

"Yeah, some guys want him to do all the hard work. Just 'cause they're older 'an he is."

"Isn't anybody in charge?"

"Yeah, but you know how it is. That supervising guy comes around to see that they're not loafing, but he's got other groups to check on. I guess Mike is so glad to have a job he doesn't wanta' say much."

"I think somebody's gotta call the shots. Don't you?"

"Let me read to you what he says: 'The older guys are really bugging me. Since I'm 18 and they're about 21, they think I'm supposed to do the part of the work they don't want to do. Just yesterday we were digging a foundation for a building when we hit hard clay dirt. Who got the job to use the pick to break it up? You guessed it, yours truly! But I'll tell you what. Even without each guy's job being clear,

the overall organization is set up real well. By that I mean I know who decides which place I work and with what guys. My boss has a guy over him. I see them talking every once in a while."

"What else does he say?"

"He seems to really miss not seeing people around here. But I think he's glad he's got some work to do."

"I wonder if we'll start out with a government job as our first one."

"Yeah, I wonder too."

Unit V
Chapter 1 - THE DEPRESSION

Without warning, Hoosiers of the 1930's entered a period of rapid and dramatic change when the Great Depression hit. Farm families and those in small communities seemed to "get by" with fewer problems than urban families in larger cities. Yet the Depression and the world-wide conflict that followed affected everyone. These events set the stage for many changes, some of which are still influencing Hoosiers today.

INDIANA CONSTITUTION: "The executive power of the state shall be vested in a Governor."
(Article 5, Section 1)

Before looking at how Indiana governors used their powers to solve the problems of the Depression, let's consider another situation from the 1930's as an illustration of the powers available to Indiana's chief executive. Decisions made by two Indiana governors are involved.

INDIANA CONSTITUTION: "He shall have the power to grant reprieves, commutations and pardons, after conviction, for all offenses except treason and cases of impeachment."

(Article 5, Section 17)

Governor Harry G. Leslie urged a parole board to transfer a prisoner from Pendelton to Michigan City in 1929. One afternoon, Governor Leslie had watched the prisoner at the Pendelton Prison play in a baseball game. He knew that the team at Michigan City played better baseball and believed that this would help reform the promising shortstop. The

parole board followed the Governor's advice and sent the prisoner to "Michigan City" prison. Just a few years later in 1933, Governor Paul V. McNutt followed Governor Leslie's example. With the support of that same prisoner's family, friends, and even the grocer who had been robbed by the prisoner, the Governor approved his release. If the two governors had been right about the prisoner's character, the story might have ended at that point. Instead, the newspaper headlines of Indiana and the nation soon blared a name during 1933 and 1934--JOHN DILLINGER.

He Had A Request

Dejectedly turning to the door, John paused a moment to ask whether he might make a request. Permission being granted, he asked:

"I wonder if it would be possible to transfer me to the state prison at Michigan City. They've got a real ball team up there."

Everybody in the room laughed except Governor Leslie. He said:

"Gentlemen, I saw this boy play baseball this afternoon and, let me tell you, he's got major league stuff in him. What reason can there be for denying him this request? It might be an important factor in his reformation."

Whereupon the board directed that Johnny Dillinger be transferred to the "big house."

The records of the State Welfare Board, in the John Dillinger file, include an official note that he was transferred from Pendleton to Michigan City "so he can play baseball."

From Dillinger by Robert Cromie and J. Pinkston.

Newspaper stories featured his robberies, arrests and escapes. At one point, he and most of his gang were captured in Tucson, Arizona. He was returned to Indiana but soon escaped from a Crown Point jail by using a wooden gun to force the guard to cooperate. Law enforcement officials from Indiana, the F.B.I., and several other states began a massive search for Dillinger. Finally, a tip from Dillinger's girl-

friend led the F.B.I. to Dillinger, and F.B.I. bullets ended the crime spree outside Chicago's Biograph Theater.

The Indianapolis Star featured the final chapter on the front page in the July 25, 1934 paper: DILLINGER COMES HOME TO MOORESVILLE. That was even bigger news than the tornado that hit the Indianapolis area the previous day. The "motorized Jesse James" had come back home to stay.

THOMAS R. KEATING

John Dillinger's Roots

IT SEEMS ALMOST appropriate.

Sunday night, someone visited the John Dillinger Museum at Nashville, Ind., and stole everything

The museum owner, Morgan County Deputy Sheriff Joe Pinkston, said that the submachine guns, pistols and other memorabilia taken in the burglary are worth about \$5,000.

While most stories surrounding Dillinger's life of crime refer to Mooresville as his hometown, Pinkston has assembled a good deal of information showing that the outlaw got his start in Indianapolis.

A grocer's son, Dillinger was born on June 22, 1903, in a small home in Brightwood, just north of Massachusetts Avenue and the New York Central railroad tracks.

DILLINGER attended School 38 at 2050 Winter Avenue and what was then School 55 at 17th and Sheldon streets. He also attended Tech High School briefly.

He took piano lessons with little enthusiasm at a storefront studio on East 10th Street and played baseball with some skill on teams at Brookside Park in 1916 and 1917.

Dillinger quit school at the age of 18 and went to work as an errand boy at the Board of Trade Building for four months and then worked at the Reliance Specialty Co., a Westside machine shop, on and off for several years.



IN MARCH of 1920, the Dillinger family moved to a farm near Mooresville, but John soon found farming a bore and returned to Indianapolis to work and play baseball on the Eastside.

His first run-in with the law also came in Indianapolis at the age of 18.

After stealing a car at Mooresville, Dillinger drove to Brightwood, where he was caught. Although the car owner did not press charges, Dillinger panicked and joined the Navy.

He later went AWOL, spent five months in a military prison and then deserted, returning to Mooresville with a fabricated story of where he had been.

Three years later, in 1924, he was arrested in the robbery of a Mooresville grocery, found guilty and served nine years in prison.

HIS LEGEND has grown to such proportions that it seems his career in crime must have spanned many years.

Actually, Dillinger lived only 14 months after being paroled from that nine-year prison term.

On June 4, 1933, in Spades Park on the near-Eastside, he was introduced to 19-year-old Bill Shaw, the leader of a group called the White Cap Gang, which wore white caps and sunglasses as disguises and specialized in drugstore and grocery holdups.

Together with the gang, Dillinger participated in a series of robberies that day that gave little indication that he would become a legend.

FIRST, AT a Haag's Drugstore at East Washington Street and Audubon Road, the gang's getaway car got wedged between two parked autos outside the store.

Later, in another holdup, the gang drove off and struck a pole at Tacoma Avenue and St. Clair Street, and nearly tore off the car door.

And finally, outside a grocery at 16th Street and College Avenue, Dillinger sped away from a robbery without Shaw, then backed up to get him and, panicking, hit a stop sign.

Soon, however, Dillinger hit his stride.

After knocking off several banks in the Midwest during that summer, Dillinger returned to Indianapolis with his gang and robbed the State Bank of Massachusetts Avenue of \$24,000 on the Real Silk Hosiery payroll day.

DILLINGER'S meeting places during this time included Spades Park and the downtown bus terminal. He also rented an apartment in the 1100 block of North New Jersey Street.

The few days he spent hiding in the apartment after the Massachusetts Avenue bank job is believed to be the last time Dillinger was in Indianapolis — until he was returned here for burial 10 months later at the age of 31.

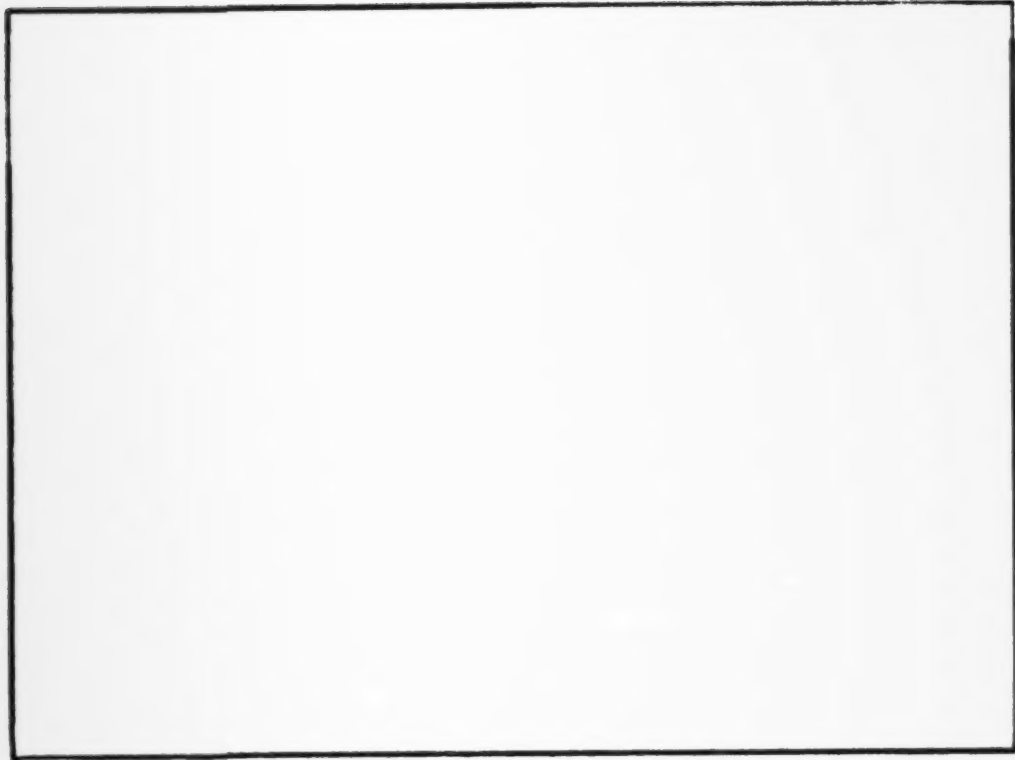
Unit V
Chapter 1
Section 1 - The Depression Hits Indiana

- What were Depression conditions like in Indiana?
- How did these conditions compare and contrast with national ones?
- What did Governors Leslie and McNutt do about Depression problems of Indiana?
- How did the news media picture Governor McNutt's efforts?

Surviving

The two governors' powers regarding pardons and law enforcement might have received further attention if it hadn't been for the more important problems of the Depression. Unemployment and other economic hardships required stronger and more effective leadership. While the effects were world-wide, they were also very personal. Reusing coffee grounds repeatedly, eating lots of potatoes or even table scraps, and trying to adequately clothe children with hand-me-downs were signs of the struggle for survival. Mortgage foreclosures, jobs cut back to one or two days a week, and the failure of local banks were common Hoosier Depression experiences.

In cities, the bread lines and "Hooverilles," shantytowns named after President Hoover, were more obvious signs of the Depression than anything visible in rural areas. But the absence of the "dust bowls" of the west did not mean that Indiana farmers escaped economic problems. The mix of urban



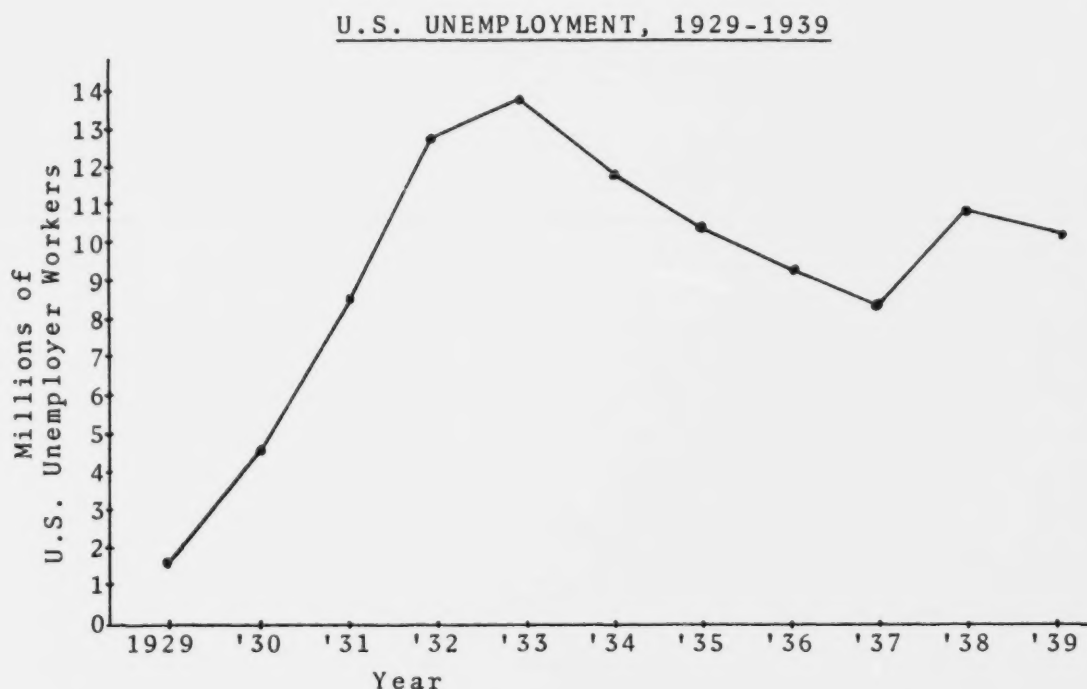
and rural poverty was unmistakable in Hoosier scenes and faces.

Economic and Social Effects

Even in the toughest times Hoosiers found a few bright spots. Family gatherings and personal friendships provided the kind of warmth not available from a new coat. Radio programs, card games, simple outdoor activities and sometimes

motion pictures provided entertainment and escape for families. Movies only cost a dime and became the most important entertainment form of the 1930's.

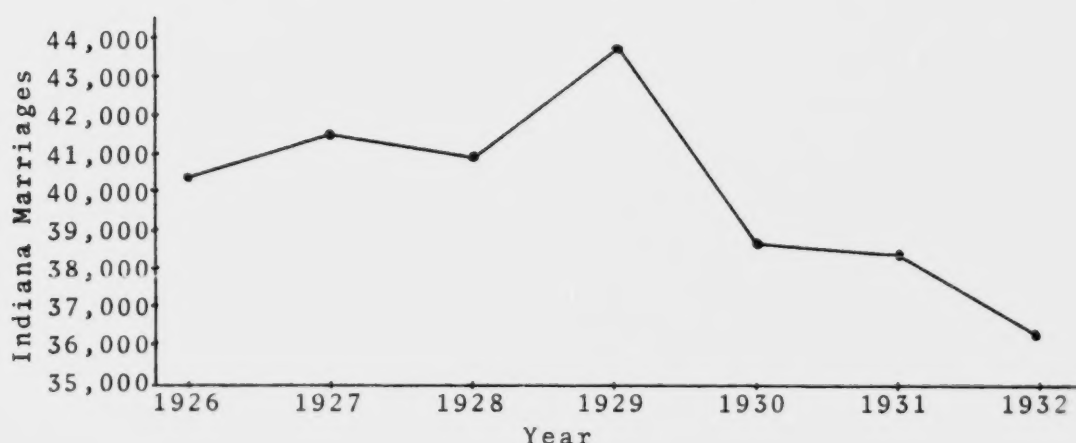
Many stories of this time period reflect hardships within the family setting as well. Angela Manojlovic, writing about her family during the Depression, describes a Croatian who returned to his homeland from Gary in 1931 after losing his job and forcing a bank teller to give him his savings at gun point. Although the Depression had hit in Croatia as well, the man was able to survive on the family farm.



The Depression hit the United States at the same time it hit Indiana. Hoosiers out of work were among the 13 million unemployed nationally in 1933. After some years of improvement, in what years does the number of unemployed start to rise again? Does the number out of work from 1934-1939 ever reach the 1933 level again?

Young Indiana couples faced decisions that may at first seem unrelated to economic problems. The 1931 U.S. average of 8.55 marriages per 1,000 Americans was the lowest yearly rate recorded up to that time from census data going back to 1887. Look over the Indiana data, comparing and contrasting the good economic times of the '20's with the bad times of the '30's.

INDIANA MARRIAGES, 1926-1932



Why did young people have to stop and think about personal decisions so carefully? One reason was the feeling of uncertainty. How do you think people felt when jobs were hard to find and they were running low on money?

Another worry was that when the dozens of banks closed, people lost the money they had in savings accounts. Farmers and businessmen couldn't get loans to help them get through the hard times. This happened in both small towns and large cities. Whether you had savings left or not, you can imagine

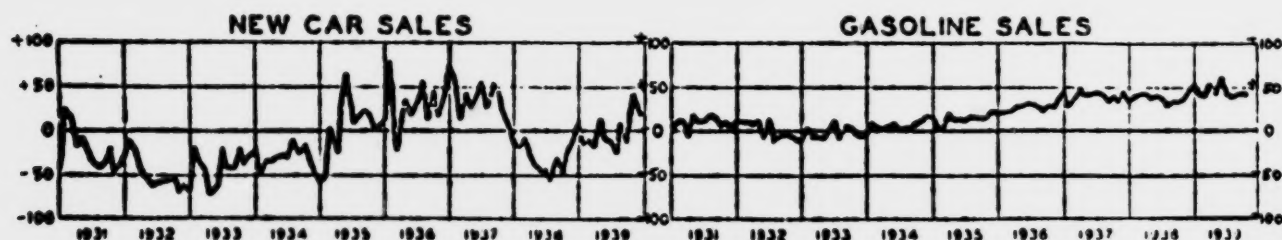
the shock when many banks couldn't pay! The statewide impact crushed many hopes and dreams.

Hoosier towns and cities were dazed by bank failures in virtually all parts of the state. A sample of closure dates follows.

November 1, 1929	- Monon	Jan.-Feb., 1930	- Avilla
December 16, 1929	- Whitestown		- Westfield
January 16, 1930	- Argos		- Dana
March 17, 1930	- Monticello		- Oolitic
August 19, 1930	- Gary		- Goshen
September 6, 1930	- Hammond		
September 20, 1930	- East Chicago	Oct. 1931 to July, 1932	- Fowler
October 7, 1930	- South Bend		- Kokomo
November 11, 1930	- Indianapolis		- Owensville
December 9, 1930	- Whiting		- Crown Point
December 26, 1930	- Gary		- Clinton
	- Mooresville		- East Chicago
December 27, 1930	- Gary		

Some banks closed for good. Others reopened with new owners, a new structure, or after joining with another bank. The national and state governments helped, but often it was after the "horse was already out of the barn."

Living habits and lifestyles change. How do the following charts tie together? Which one follows the pattern of the others the least? Why?



THE ABOVE CURVES SHOWING TRENDS OF ACTIVITY IN VARIOUS LINES OF TRADE AND INDUSTRY HAVE BEEN CORRECTED FOR THE USUAL SEASONAL VARIATIONS. FIGURES AT THE ENDS OF THE CHARTS INDICATE PERCENTAGE DEVIATIONS FROM A FOURTEEN YEAR AVERAGE 1923-1936.

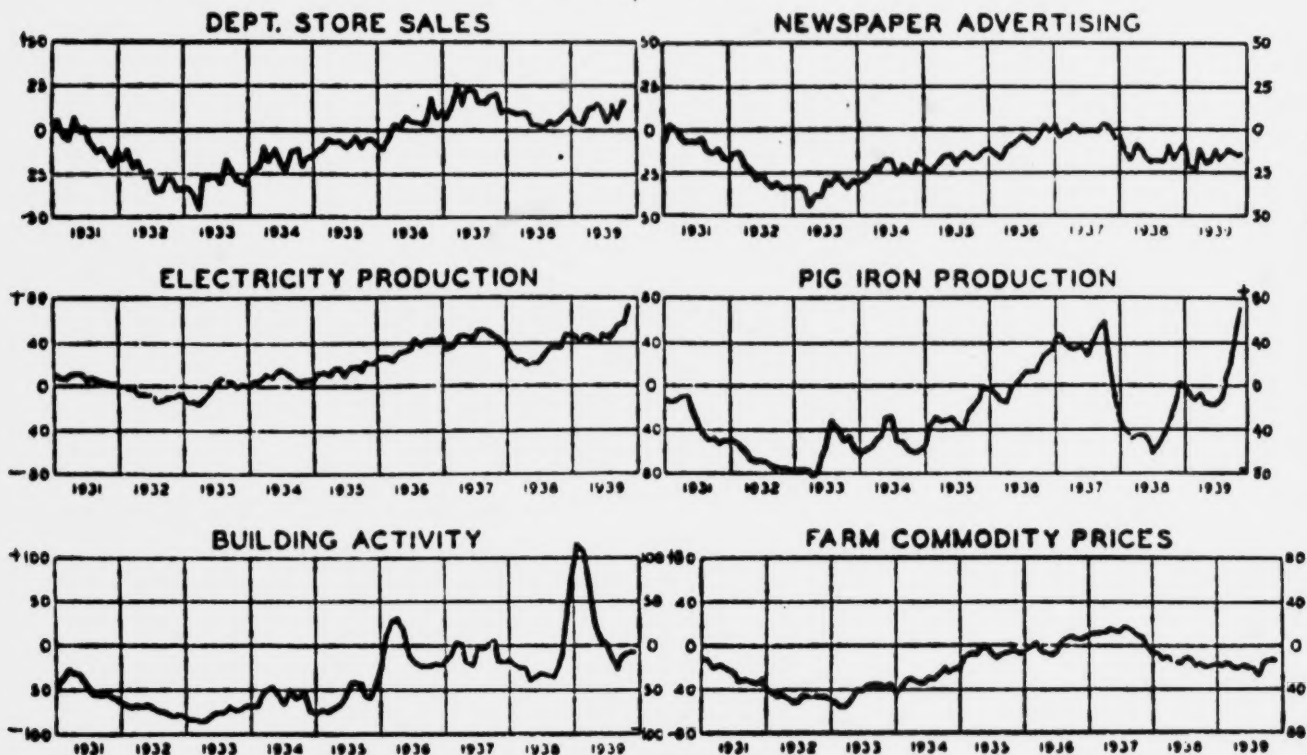
From Indiana Business Review (Jan. 1940).

INDIANA GENERAL BUSINESS CURVE



From Indiana Business Review (Dec. 20, 1939).

MEASURES OF BUSINESS ACTIVITY IN INDIANA



THE ABOVE CURVES SHOWING TRENDS OF ACTIVITY IN VARIOUS LINES OF TRADE AND INDUSTRY HAVE BEEN CORRECTED FOR THE USUAL SEASONAL VARIATIONS. FIGURES AT THE ENDS OF THE CHARTS INDICATE PERCENTAGE DEVIATIONS FROM A FOURTEEN YEAR AVERAGE 1923-1936.

From Indiana Business Review (Jan., 1940).
 Study each chart. Write a possible effect of each one in your notes. Describe your feelings. Which of these effects would bother you the most? the least?

Governor Leslie's Approach

As in any crisis, many people looked to government for solutions. Farm families gathered in Indianapolis to demand lower taxes. Military veterans marched into Washington, D.C. for their bonus money. Everywhere, people voted on "pocket-book" issues and expected governmental action. As the Depression deepened, fear and anger increased. There was even talk of revolution.

- picture -

Governor Harry G. Leslie was the first to try to solve the economic problems of Indiana. Under his leadership, Indiana took the lead in establishing "relief gardens"--mostly tomatoes and cabbage plants. The project included land and seed for the poor to start gardens. Like President Hoover, a fellow Republican, he didn't see the need for aggressive governmental action. However, with the decline in Indiana tax payments, Leslie called a special session of the General Assembly to consider tax and budget issues during the summer of 1932. Usually the Legislature only met every other January to March, but the following paragraph in the Indiana Constitution gave him the power:

INDIANA CONSTITUTION: "But if, in the opinion of the Governor, the public welfare shall require it,

he may at any time, by proclamation, call a special session."

(Article 4, Section 9)

The worsening conditions and increasing pressures forced Governor Leslie to act on the tax issue, though earlier he had not supported the General Assembly's tax reform actions. The special session resulted in some tax relief for property owners and was especially important to farmers faced with losing their property. In reducing the tax burden, Governor Leslie supported the Legislature's attempt to help farmers meet their payments. Unfortunately, delinquent (overdue) property taxes of about \$13.5 million in January, 1932 had gone over \$25 million just a year later, which shows that the Depression grew worse. Review the charts on page 00 for the additional evidence about economic declines from 1929-1933.

Governor McNutt

The time was right for strong leadership. Voters demonstrated their desire for change in November, 1932 and elected Paul V. McNutt, the first Democratic governor since 1917. Hoosiers expected bold, new leadership and McNutt would not disappoint them. He led the Democratic landslide in Indiana. Even Franklin D. Roosevelt, the new President, ran behind the man from Martinsville.

<u>Votes for President</u> <u>in Indiana, 1932</u>	<u>Votes for Governor</u> <u>in Indiana, 1932</u>
Franklin D. Roosevelt: 862,054 (Democrat)	Paul V. McNutt: 862,127 (Democrat)
Herbert Hoover: 667,184 (Republican)	Raymond S. Springer: 669,707 (Republican)
Norman Thomas: 21,388 (Socialist)	

New Leaders like McNutt and Roosevelt had to act while their support was strong. State and national lawmakers were eager to back these executives from their own party. No one wanted bickering between differing branches. It was a time to act!

Governor McNutt entered office in 1933 supported by huge Democratic majorities in both houses of the Indiana General Assembly---91 to 9 in the House and 43 to 7 in the Senate. Indiana contributed to President Roosevelt's support by electing Indianapolis Democrat Frederick Van Nuys to the U.S. Senate and all 12 Democrats to the U.S. House. In 1935, when New Albany's Sherman Minton was elected Senator, the entire Indiana congressional delegation was Democratic.

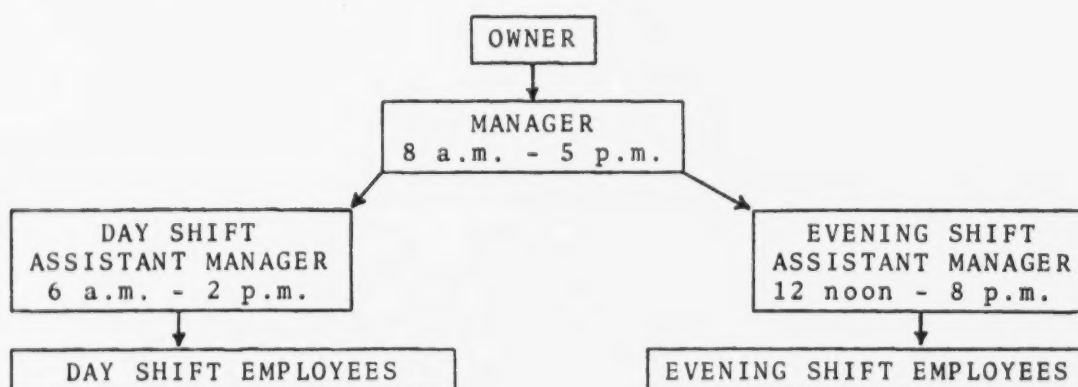
Before considering the next idea, you need to review the story on page 00. Think about the questions raised by Jim's brother, Mike, about the organization of the government's work camp for unemployed young men. These ideas will help to explain other aspects of the 1930's.

Think about your own experience with organization. Businesses, churches, clubs, families and even groups of friends are organized in certain ways. Who makes a decision, who is asked about what decision will work, and who carries out the decision once it is made are all parts of the organizational structure of a group.

If you know someone who works in a grocery or a "fast food" eating place, you probably have heard talk about how the place is organized. There might be a day shift assistant

manager who tells the employees what to do at some points and an evening shift assistant manager on duty later in the day. These two people must keep in mind the manager's ideas, since that person is their boss. The manager may have a local owner or a district manager in another city that checks on him at least once in a while.

An organizational chart of this operation would look something like:



Notice in this business that from noon to 2 p.m. there are three bosses--a manager and two assistant managers--working at the same time. Should an evening shift employee follow what the day shift assistant manager says? What if the day shift assistant and the evening shift assistant have different approaches? The employee may be caught in the middle.

Paul V. McNutt entered the office of governor when Hoosiers were getting impatient. He couldn't allow bosses of different departments to get in each other's way. In fact, he wanted to personally keep track of how people in state

government were meeting the needs of the citizens. Just as a customer may decide to go elsewhere, a voter may choose someone else in the next election.

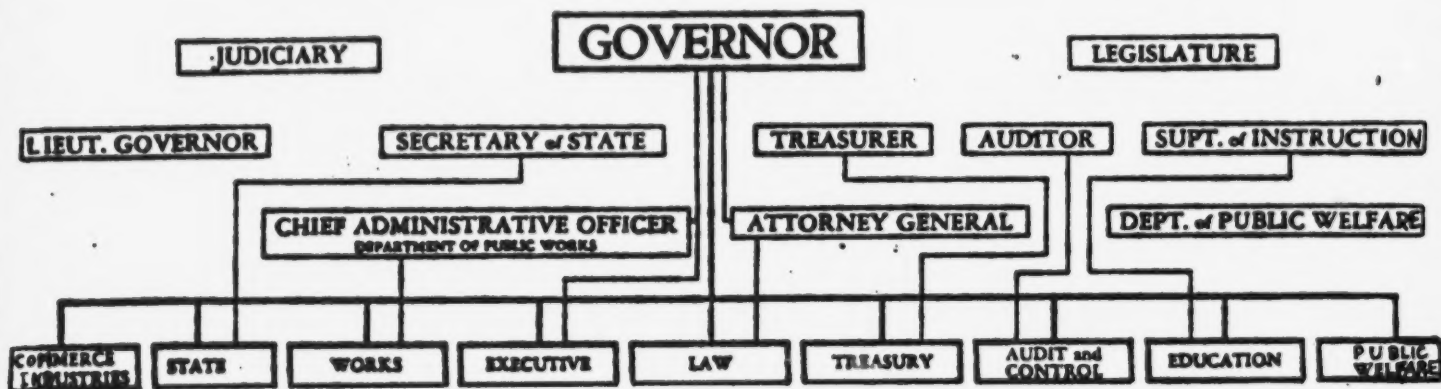
Governor McNutt had plans for serving the voters better than the previous executive. At least, he thought that he did. A starting point was to reorganize the structure of state offices. The Legislature helped him during his first two months in office by passing the State Government Reorganization Act. The legislative session ended on March 6, 1933. Indiana's response to the Depression was written into law at a time when President Roosevelt was just getting started on his New Deal. Some of the new arrangements were as follows:

SAMPLE OF REORGANIZATION OF INDIANA EXECUTIVE

<u>Office or Agency</u>	<u>Before 1933 Reorganization Act</u>	<u>After 1933 Reorganization Act</u>
Attorney General	Elected by voters.	Appointed by Governor.
Indiana State Police*	Under the control of the Secretary of State.	Under the Executive Department, reporting directly to the Governor.
Automobile License Division	Under the control of the Secretary of State.	Under the Executive Department, reporting directly to the Governor.
overall organization	169 separate departments.	8 departments.

*Further revisions within the State Police structure were put into effect in 1935, providing for merit (ability) as the basis for setting up police command positions. John Dillinger's activities undoubtedly prompted these changes.

The overall reorganization set up the following executive structure:



From Indiana Review, 1938, p. 64.

There are a total of nine departments. The ninth one, Public Welfare, was added in the mid-1930's to coordinate state actions with the provisions with the U.S. Social Security Act.

Just as the manager of a "fast food" eating place needs to be sure the employees know whose directions to follow during the lunch rush hour, McNutt wanted officials to know the chain of command. The Attorney General was to be a close legal advisor chosen by the Governor, not a separately elected lawyer who just happened to be part of the state executive branch.

McNutt didn't want law enforcement questions facing the Indiana State Police to be sidetracked through the Secretary of State's Office. He wanted, as the nine-department

organization was intended, to be on top of all executive decisions. The political advantages of being able to appoint his "own people" to advisory positions had party backing. The reorganization of the State Police structure to avoid this practice was not followed by other departments.

The charges against McNutt of "playing politics" were even increased when he required that his appointees pay 2% of their salaries to the Democratic Party. The balance of Democratic/Republican power that held down the complaints in the 1930's later shifted and brought a sharp reaction in the next decade. But for the time being, McNutt had his way.

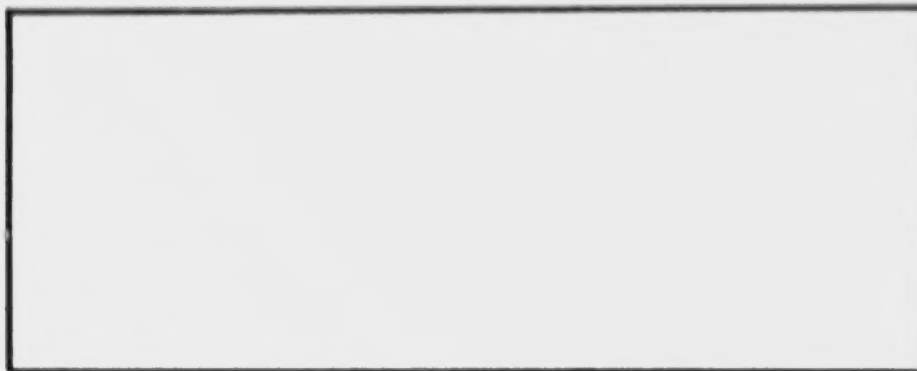
This Democratic unity came at a time of state financial crisis. The money was running out in Indiana. Schools would close and other programs would be cut unless the government did something. Lowering property taxes seemed like a good idea in 1932. By 1933 Governor McNutt and legislative leaders agreed that new taxes had to fill the gap.

The Governor wanted a state gross income tax law. Small business owners opposed this revenue measure while farmers supported it. In his book Indianapolis, Edward A. Leary describes the Farm Bureau's call for a mass meeting at the circle in Indianapolis. Ten thousand marchers carrying petitions gained the attention of the General Assembly. The tax law was passed. In addition, new taxes were put on stocks, bonds and alcohol. These taxes helped solve the school funding crisis in Indiana.

The Governor helped the state's financial picture, won the support of many farmers, kept the schools open and gained

the attention of national leaders. He had brought order out of chaos. By 1937 the Indiana surplus was \$10,000,000. The tax laws passed in 1933 stayed pretty much the same until 1963.

Not everyone was pleased. McNutt's methods and style were not always admired. The Indianapolis Star ran headlines and articles that described the cooperation of McNutt and the General Assembly as "jammed through," "supreme tactics," and "approval with precision." Political cartoonists vividly presented the concern about the Governor's methods. Terre Haute workers were angry that he sent troops to end a city-wide strike. But no one could argue with his results. To most Hoosiers, Governor McNutt was a hero.



The Republicans raised questions about McNutt's use of executive powers. Henry F. Schricker, another Democratic governor, had a head-on clash with a less cooperative General Assembly in the early 1940's. The unusual conditions of the Depression allowed McNutt liberties available to few Indiana governors.

1. Why was Governor McNutt allowed to act boldly?
2. Had you lived in the 1930's, what conditions would have caused you to want the Governor to act quickly?
3. What are the dangers of a leader not using his powers in times of emergency?
4. What are the possible dangers when a leader has too much power?
5. What are some checks on leader's powers in Indiana?

Unit V
Chapter 1
Section 2 - State and National Approaches

- What were Governor McNutt's opinions of Democratic accomplishments?
- What were the Civilian Conservation Corps' purposes?

"After sixteen years of Republican extravagance and misrule the aroused electorate of Indiana placed a Democratic administration in power by the largest majority in the history of the state. The new administration found itself confronted by deplorable conditions. Hundreds of thousands of our people were hungry, cold, unsheltered and in rags."

The keynote speaker at the 1935 state Democratic convention described the 1933 crisis that he, the Governor, and the General Assembly faced. Governor McNutt then listed his accomplishments in Indiana. He admitted that some opposed his methods. For example, "The enemies of this plan (executive reorganization into eight departments) have called it a dictatorship...Instead of creating a dictatorship this plan makes possible the application of common sense and practical methods to the important business of government."

Legislative leaders offered supportive statements when the session opened in January, 1935. Speaker Edward H. Stein of Bloomfield emphasized: "Let us continue to make our beloved state an outstanding example of one which has weathered the Depression with open schools...a balanced budget and lower taxes." Lieutenant Governor Townsend from Blackford County told Indiana's senators much the same thing

but stressed that some problems remained. The Democratic leadership displayed unity.

The state-level unity spilled over into state/national unity. State and national Democratic leaders praised each other's efforts. Governor McNutt boasted that President Roosevelt's chief advisor, Harry L. Hopkins, had "declared that Indiana is and had been in the forefront of the states in the matter of public relief administration." McNutt returned the compliment: "Called upon during this critical period, the Democratic party produced an inspired and inspiring leader, the greatest President in the history of the nation, Franklin Delano Roosevelt."

Relief programs required this type of state and national cooperation. The nationally funded Civilian Conservation Corps (CCC), for example, operated at Indiana park sites. Young people lived in state camps and earned small salaries. Young, single, healthy, unemployed males built roads, trails, camping areas, water systems, lakes and an occasional saddle barn. C.C.C. volunteers worked state-wide. These young men improved Lincoln, Spring Mill, Pokagon, Shamack, Brown County, Clifty Falls, Dunes and McCormick's Creek state parks. They not only built facilities but also planted trees.

Myron L. Rees, State Parks Director, discussed C.C.C. projects positively. He told a 1936 Indianapolis radio audience that the "work of the Civilian Conservation Corps is an essential contribution to the welfare of Indiana's

citizens now and in years to come."

The Work Progress Administration (WPA) also provided jobs and helped support state and local musical programs, art works, construction projects, and even flood assistance. Democratic Governor Townsend, McNutt's successor, responded quickly to the January, 1937 flood in southern Indiana. W.P.A. workers and C.C.C. volunteers helped bring emergency supplies. The newly-elected Governor spoke highly of this cooperative rescue. Many of you have probably seen murals (huge wall paintings) in the State Capitol at Indianapolis, in local post offices and other public buildings. This artwork was done by W.P.A. artists. Many bridges and sidewalks that were built during this period still exist today. State and federal cooperation was necessary for these programs. Before looking at how this cooperation became an issue in the 1940 election, you will examine a court decision involving movies, the Indiana Constitution, and gambling, an issue that is still being hotly debated in some parts of the state.

- What effects did government programs have on Indiana in the 1930's?
- In what ways are these effects still apparent?

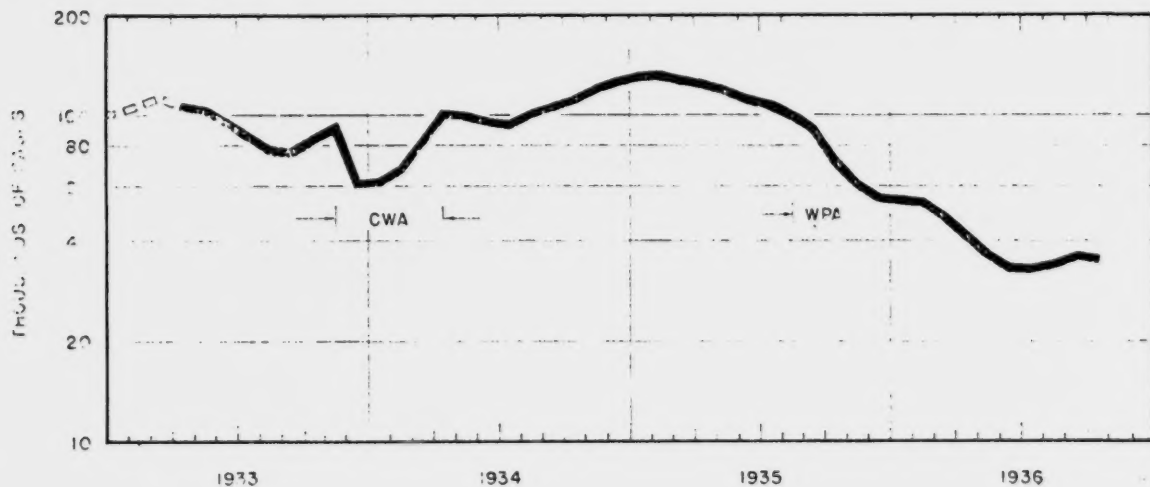
DECEMBER, 1936

INDIANA RELIEF STATISTICS



NUMBER OF RESIDENT CASES RECEIVING UNEMPLOYMENT RELIEF IN INDIANA

JANUARY, 1933, THROUGH OCTOBER, 1936



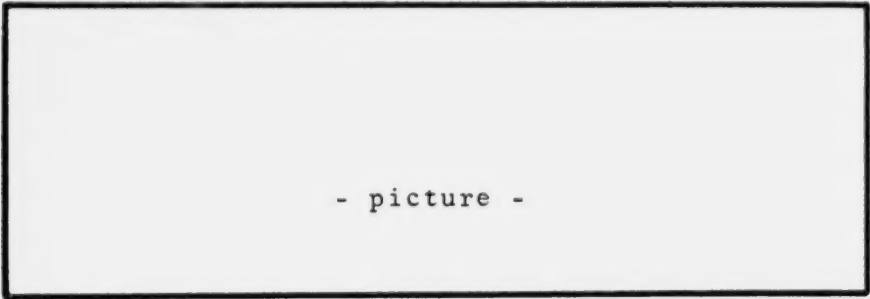
ISSUED MONTHLY BY THE STATISTICAL DEPARTMENT

GOVERNOR'S COMMISSION ON UNEMPLOYMENT RELIEF

INDIANAPOLIS, INDIANA

Unit V
Chapter 1
Section 3 - The Court Decides

- What is the legal issue?
- What do the courts decide?
- What do the cases reveal about attitudes in the 1930's?
- Why are legal definitions important?
- Would you have decided the cases in the same way?



- picture -

The Amendment Process

At a time when many decisions were being made by Indiana's Governor and General Assembly, the courts were also busy. Indiana Supreme Court judges, as well as local judges and juries, were giving shape and meaning to the Indiana Constitution.

One problem concerning the meaning of a word in the Constitution was before the Indiana Supreme Court in 1935. The word "majority" obviously means over one-half. The judges had to decide what was a "majority" vote for approving an amendment as stated in this section:

INDIANA CONSTITUTION: "If a majority of said electors (voters) shall ratify (vote 'yes') the same, such amendment or amendments shall become a part of this Constitution."

(Article 16, Section 2)

The case came to court because many people had not bothered to vote on amendments. Therefore, did "majority" mean over half of the people voting in an election for an office like governor? Or should "majority" mean over half the people voting only on the amendment? The latter meaning was chosen by the judges. Therefore, if 800,000 people voted on an amendment, 400,001 "yes" votes would be needed to approve it. The fact that over 1,600,000 voted for the candidates for governor would not matter.

The above numbers are close to what actually happened a year after the court's decision. The voters added a 1936 amendment to the Constitution by a margin of 426,031 "yes" votes to 398,201 "no" votes. The "majority" voted to remove "white only" from Article 12, Section 1 of the Indiana Constitution. The Indiana militia (national guard) could no longer close membership to minorities.

A judicial decision cleared up confusion on the definition and also streamlined the amendment procedure. An important result was some progress on minority rights. Review the Time Line at the beginning of Chapter 1 for other minority rights issues.

Bank Night

Keeping in mind the importance of definitions, read the following episode and prepare to explain your views.

One Wednesday evening Ken Maynard, a Hoosier cowboy, is billed as the feature attraction at a theater in an Indiana town during the late 1930's. You might imagine an audience looking on as this handsome cowboy commands his white horse Tarzan to jump the fence, roll in the dirt, and pretend to be lame. Maynard changes from a disguise and ends the chase scene in his chaps and white hat.*

After the movie, emotion reaches an even higher peak as the drawing is announced. A large drum filled with names revolves. A name is drawn and announced. The crowd sighs with disappointment. The person is not in the audience! Most of the people will be back next week because the chance to win \$200 is just as important as the movie.

The next day you receive a notice that you are to report for possible jury duty next Wednesday in Circuit Court. The owner of the theater is going on trial for violating a local law forbidding "lotteries." The local law is based on part of the Indiana Constitution:

INDIANA CONSTITUTION: "No lottery shall be authorized; nor shall the sale of lottery tickets be allowed."

(Article 15, Section 8)

- What differing definitions of "lottery" do you find in discussions with the other jurors?
- Do you find the theater owner "guilty" or not guilty?

*From an actual movie entitled Phantom Rancher, 1939.

- Why do you think adventure stories and "bank nights" appealed to many people in the 1930's?

This court action is similar to what happened in one town as described by John Ankenbruck in his book, Twentieth Century History of Fort Wayne. The jury decision was "not guilty," and "bank nights" continued into the next decade. Many people seemed to seek such pleasures as a relief from the concerns of the day. People were soon to face a world in which jobs became more plentiful, but the cost was another world war. The Hoosier lifestyle was again jolted by national and international forces. There are those who today speak of the past as the "good old days" and some who remember troubled times, but whatever view of the past, Hoosiers know that their ways of doing things have been flavored by an increasingly complex world.

Hoosier Profile: The Industrial Worker, 1932-1945

He lost his job in 1932 and eventually found a new one with Roosevelt's W.P.A. He later helped build airplane engines for American pilots. As the war continued, women joined him in the factories. From the Depression through World War II, he responded to crisis.

Out of no fault of his own, he lost his job at the beginning of the Depression. For the first time in his adult life he was out of work. He had worked hard but had put little money in the bank. He accepted relief checks and tried to keep food on the table. He might have moved to find work--but where?

He didn't like to accept government help, but didn't know what else to do. The W.P.A. work was at least like a job. He knew that jokes about W.P.A. crews leaning on shovels and playing cards might have been based on some truth. However, he took some pride in his work, and was able to add a little food to go with his garden potatoes and tomatoes.

He understood why Terre Haute workers went on strike in 1935 after one company's leaders brought in strike-breakers to take their place. In a surprising show of unity, 48 local unions joined this general strike. He was surprised also that Governor McNutt sent nearly 2,000 national guard troops supposedly to "restore order." Was McNutt really a friend of labor? He hoped that F.D.R.'s National Labor Relations Board would straighten things out.

He was glad to see Governor Townsend use his powers to work out a settlement between management and labor in Anderson two years later. He knew the "sit down" strike was being widely used by workers in several states. The fact that Townsend had an "Indiana plan" to offer a peaceful settlement was a good sign. The government helping to work out an agreement rather than bringing in troops seemed to put Indiana ahead of some other states.

Townsend's actions encouraged him to vote for the Democrats in the 1940 election as he had done in the previous two presidential elections. He had some difficulty, though, choosing between President Roosevelt and Elwood's Wendell

Willkie. His vote for Henry F. Schricker for governor was influenced by Townsend's actions.

Further union activities could wait now that Adolph Hitler was becoming the common enemy of all Americans. He was glad when he was able to leave his W.P.A. crew and start working for a private company again. Orders for airplane engines really picked up after the Pearl Harbor attack. By this time he was part of a patriotic cause to help the war effort.

The designation "he" was no longer even a typical identification. Indiana's industrial workers increasingly included women. In fact, Hoosier workers included people of different races, sexes and ages. Working together with management, they put aside self interest--at least until 1945.

Chapter Checkpoint

I. Questions:

1. How can an Indiana governor protect Hoosiers' lives and well being?
2. Under what circumstances should a governor use these powers?
3. Did the 1930's governors use these powers properly?
4. Powell A. Moore contrasted Governor Leslie's with Governor McNutt's reaction to financial problems in the Gary area as follows:

"In October, 1932 an effort to borrow \$1,000,000 from the Reconstruction Finance Corporation failed when Governor Harry Leslie refused to approve the loan. The Governor insisted that if Lake County

would eliminate graft and politics from its relief program, it could care for its needy."

(Quoted from Mr. Moore's study, The Calumet Region: Indiana's Last Frontier, Indiana Historical Bureau, 1959, pp. 566-567.)

"In January, 1933 Governor Paul V. McNutt came to the rescue" (and)...approved a \$750,000 loan...with these reservations: that the money would not be used to pay old relief bills, and that it be administered by a committee to be appointed by the Governor."

Make a chart comparing and contrasting the two Governors' views and actions. Refer to the chapter reading as well as the above quotes.

5. Which governor's views are closer to President Franklin D. Roosevelt's views? Explain.
6. From 1935-1944 both U.S. Senators from Indiana were Democrats. This situation didn't exist again until 1963. Can you name these latter two Senators?
7. Compare and contrast the industrial worker's (see Hoosier Profile) views of President Roosevelt, Governor McNutt, and Governor Townsend.

II. Applications:

1. Make up individual quoted reactions to Governor McNutt's 1930 policies by the following people:
 - (A) Governor Oliver P. Morton
 - (B) Governor Thomas R. Marshall
 - (C) Governor Harry G. Leslie
 - (D) John Dillinger
 - (E) Governor M. Clifford Townsend
 - (F) A C.C.C. volunteer
2. You and the members of your group will research and report on one of the following:
 - (A) 1930's governmental programs in your community, especially C.C.C. and W.P.A.
 - (B) political cartoons on President Franklin D. Roosevelt, comparing and contrasting the themes to those in the text about Governor McNutt.

(C) current local court cases, comparing and contrasting to 1930's text examples.

3. Locate Indiana's state parks by writing the names on an Indiana map. Describe one you have attended. If possible, go to one and record examples of 1930's improvements.

III. Terms and Concepts to Review:

- | | |
|-----------------------|-------------------------------|
| 1. executive powers | 7. income taxes |
| 2. pardon | 8. federal financing |
| 3. legislative powers | 9. judicial powers |
| 4. depression | 10. amending process |
| 5. reorganization | 11. comparing and contrasting |
| 6. property taxes | 12. ordinance |

Unit V
Chapter 2 - WORLD WAR II: DOMESTIC AND
INTERNATIONAL ASPECTS

Americans entered the 1940's with many questions. Should they maintain the "New Deal" or drop governmental programs? Should they enter the European war or stay out? Should they vote for Democrats or Republicans?

Hoosiers jumped into the fray. Should Wendell Willkie or Paul V. McNutt run for President? Should McNutt return as Governor? What parties should be on the November ballot?

Let's examine the final question first. The Republicans and Democrats belonged on the ballot, but what about the Socialists, Communists, and Prohibitionists? The State Election Board and some county boards had decisions to make.

These board members sorted through the petitions in October. Socialists and Prohibitionists were approved. They said "no" to the Communists. Were the petitions irregular? Were these people calling for overthrow of the government? Two editorials answer these questions. Which editorial do you prefer?

Ban on Communist Ticket

The political air in Indiana was cleared by the decision of the State Board of Education Commissioners to rule the Communist ticket off the ballot for the Nov. 5 election. The unanimous verdict was accompanied by no explanation of the law on which the ban was based. The board members announced, however, that its action would be defended in the courts if the Communist leaders sought legal measures to compel acceptance of the Radical Party ticket.

The decision was chiefly a sentimental triumph for Americanism, a rebuke to forces opposing this country's traditional principles and an attempt to destroy the nuisance value of the group represented by the Soviet emblem of the hammer and the sickle. The number of Communists in Indiana is small--so small, in fact, that the party did not muster one vote for every precinct in the state. The disciples were able to get many more signatures to their petitions than supporters at the ballot box.

Thousands of patriotic citizens presented demands for exclusion of the Communist ticket. They relied largely on the 1935 act, which bans parties seeking to overthrow the government by force. Probably more effective, from a strictly legal point of view, was the act eliminating political groups unable to muster sufficient voting strength according to official totals at the last general election. Unless the board ruling is upset by the courts, Hoosier voters going to the polls next month will not find the Communist candidates on the ballot.

(Indianapolis Star, October 9, 1940, pg. 10)

Barred from the Ballot

We believe we know why the State Board of Elections barred Communists from the November ballot, but we cannot be sure.

A minority party has to file 7,798 signatures in order to comply with the requirements. Since the Communists filed only a few more than the required number of names, it is probable that the normal number of errors to be found in any group of petitions would have been enough to invalidate their claim.

As we said earlier, we think that was the situation. But for the protection of others and more decent minority groups, if for no other reason, the Election Board should make public its reasons and avoid any accusation of unfairness.

(Indianapolis Times, October 9, 1940, pg. 12)

Governor M. Clifford Townsend headed the State Election Board that made this unanimous decision. As Governor he was

the unofficial leader of the Board and had appointed the other members, Democrat Edwin H. Smith and Republican Fred C. Gause, both of Indianapolis. Why do you think they took this action?

Communist Party Secretary Philip Burt thought the Board was wrong and filed a court suit. A special Superior Court judge, Thomas C. Batchelor, ruled otherwise. Burt's comment that Communists "hate Hitler more than anyone" was not the issue. The Judge said that the Election Board had the authority to deny the Communist party a place on the ballot. The Board's "discretion" was not a court matter. The Judge saw "no basis for interfering."

The Crawfordsville Journal and Review covered the story in the October 8, 1940 issue. Two related articles appear in the same column on page 8 of the October 16, 1940 edition. The editor placed the article, "Judge Rules Against Hoosier Communists," just above the one, "Communists Win," the story of a Washington Supreme Court decision.

The Bloomington Daily Telephone reported the Board decision on October 8, 1940: "Reds Denied Ballot Spot." The paper's small front-page article stressed the low Indiana Communist vote count--1,090 presidential ballots cast in 1936 and 992 Indiana Secretary of State votes cast in 1938.

The Daily Telephone also ran a related feature article a day later on page 1. The headline jumped out: AMERICA SPEAKS: RESTRICT RADIO BROADCASTING BY COMMUNISTS, SAY VOTERS. A national Gallup Poll summary gave support to

Indiana's decision: 63% responded that Communist leaders should have no radio time. Therefore, the Indiana decision to exclude Communists was in line with national public opinion. Some other states had taken this action. Like them, Indiana would have no Communists on the ballot in 1940.

Unit V
Chapter 2
Section 1 - The 1940 Presidential Election

- What were the main campaign issues in the election of 1940?
- What roles did Indiana leaders have?

A Hoosier President?

Indiana newspaper headlines often feature the names of government leaders. The names Paul V. McNutt and Wendell Willkie appeared nearly every day in 1940. More than any other year, 1940 was the year for Hoosier politicians to make a big splash at the national level. Had things turned out a little differently, World War II might have begun with a Hoosier in the White House. For a time, "President McNutt" or "President Willkie" was just as possible as "President Roosevelt."

McNutt's chance to be President depended upon what F.D.R. decided. No president in history, not even George Washington, had served more than two terms. Roosevelt had already been elected twice, and an attempt at a third term would give the Republicans a major issue. Even some Democrats didn't want him to run again.

A possible replacement for Roosevelt was Paul V. McNutt. Ever since his term as Indiana's governor (1933-37), McNutt had had even higher ambitions. President Roosevelt, perhaps to get McNutt out of the spotlight, appointed him as High

Commission to the Philippines in 1937 and later as head of the Federal Security Administration. Although he did an excellent job, neither position gave McNutt much chance to get his name in the news. If Roosevelt did make the appointments for that purpose, it worked. There was little mention of McNutt in national news from 1937-1939. Some historians claim that the President was punishing McNutt for his delay in supporting F.D.R. for President at the 1932 Democratic Convention.

Political decisions are frequently influenced by people who are close friends and advisors. Frank M. McHale had been an advisor to McNutt since the 1920's. He believed the former governor would make an excellent president and organized the McNutt for President campaign in the hope that F.D.R. would be happy to retire after eight years in office. However, President Roosevelt wanted to keep his job, and his control of the Democratic Party was still strong.

The Cornfield Conference

Meanwhile the Republicans planned an end to Democratic rule whether Roosevelt decided to run or not. The continuing struggle with unemployment, especially during the sharp economic decline in 1937-1938 (see the chart on page 00), made it clear that the voters might be willing to reject F.D.R.'s New Deal. The Depression wasn't going away. This supported the belief of many people that "you can't solve economic problems with big governmental programs."

Homer C. Capehart, a wealthy businessman, invited over 60,000 Republicans to his farm near Washington, Indiana in August, 1938 to discuss their chances for regaining the White House. This so-called "cornfield conference" started anti-New Deal thoughts flowing. There were speeches about balancing the federal budget and electing Republicans to get the job done.

F.D.R. was accused of using federal spending to win votes. The 25,000 or so people who came by train and car to eat chicken, clams, and corn, and hear the bands play shouted their approval. The Washington Democrat, which opposed Capehart, ran an editorial on August 29, 1938 praising the conference. Even Capehart's political rivals knew he had put on a good show.

The Republicans Choose a Candidate

Anti-New Deal ideas blossomed in 1940. The Republican favorites were narrowed down to Ohio Senator Robert Taft, who had attended Capehart's "Cornfield Conference," and New York's Governor Thomas Dewey. Another New Yorker with a reputation for blasting New Deal programs was also mentioned, Hoosier-born Wendell Willkie.

Willkie had attended school in Elwood and went to Indiana University at the same time that McNutt was there. Although he had moved to New York and become a successful lawyer, he still liked to call himself an Indiana farmer. Willkie had received a great deal of national attention

because of his attacks on one of Roosevelt's pet projects, the Tennessee Valley Authority (TVA).

The TVA was a major New Deal effort to provide electric power and flood control for a large, rural area in the mid-South that had never had electricity before. Willkie, working for private utility companies that opposed government-financed electric power, had hammered away at Roosevelt's program. Private business could have done it better and cheaper, said the Hoosier native.

When Republicans planned F.D.R.'s defeat, Taft and Dewey were usually mentioned. The convention delegates who went to Philadelphia in June, 1940 expected one of them to challenge the Democrats. The Democratic candidate was not yet named, but F.D.R. wanted another four years. Problems with the New Deal plus the "third term" issue would probably make Roosevelt an easy target. The Republican convention opened in a confident, festive mood.

The first Republican presidential ballot results on June 27th were not surprising. Dewey had 360 votes, Taft was second with 184, and Wendell Willkie was third with 105 votes. Although the favorites were leading, neither Taft nor Dewey could get a majority of the votes. On the third ballot Willkie received enough delegate votes to move ahead of Taft, but the outcome was still uncertain. A long evening faced the delegates in Philadelphia's sweltering heat.

Suddenly the picture began to change. On the fourth ballot, the delegates began to move toward Willkie. He

surged into the lead with 306 votes. Taft was second with 254, and Dewey had dropped to third with 250. But Willkie was still far short of the 501 needed for the nomination.

Finally at 1:02 a.m. the Republicans had a nominee on the 6th ballot. Willkie received 570 votes. The usual call for party unity pushed many Dewey and Taft votes into Willkie's final total--not bad for a guy who had had no support only two months before and had been backed by only 9 out of 28 delegates from his home state earlier that evening.*

The following month President Roosevelt was nominated for a third term. McNutt's Indiana supporters came into the Chicago convention hoping to get him on the November ballot as Vice President. However, F.D.R. preferred Henry A. Wallace, his Secretary of Agriculture. McNutt later headed the War Manpower Commission and served as Ambassador to the Philippines, but in Chicago he could only swallow his ambitions and support the ticket of Roosevelt and Wallace.

Willkie's Campaign

Before challenging the Democrats, Willkie met with his vice-presidential running mate, Charles L. McNary, and other party leaders. Some Western senators urged a firm stand against involvement in the war that was already raging in Europe and Asia. McNary had been selected in part because he opposed American entry into the war.

In August Willkie stepped up the tempo of his campaign by giving a speech in his hometown, Elwood, Indiana. The

*Balloting statistics taken from June, 1940 issues of Indianapolis Times, especially June 28, 1940, p. 3.

appeal to the audience was a celebration as much as it was a political campaign. The contrast between the "down-home" Hoosier farmer and the sophisticated President in the White House was unmistakable. The crowd loved it!

Preparations had been made to ensure a crowd. In Bloomington an ad in the Daily Telephone announced:

- picture of train to Elwood -

Clubs were also forming:

- picture of application for Willkie club -

Hoosiers were becoming reacquainted with the home town boy they trusted to turn the country around. Willkie told the Elwood audience: "I stand for the restoration (bringing back) of full production and re-employment by private enterprise in America." The crowd at Elwood and Republicans across the nation heartily agreed. But world events, espe-

cially the war in Europe, had started to crowd politics off the front pages. Attacks on the New Deal and pleas for a balanced budget were not as important or threatening as the war news.

Charles A. Lindberg, the famous aviator and public hero, was one of the leaders who opposed American involvement in the war. At a speech in Fort Wayne in October, 1940* he said America must be considered "first." He warned against becoming involved in a war that couldn't be won by our allies, Britain and France. Many Americans agreed and attended "America First" rallies across the country.

Although Willkie talked about "staying out of Europe's conflicts," his international policies were not all that different from those of President Roosevelt's. He favored U.S. aid to Britain, even if it cost him votes. This stand, as well as softer statements about the TVA and other New Deal policies, led some voters to doubt whether Willkie was really following the Republican party platform. Willkie also insisted on a limit in the number of terms a President could serve.

The People Decide

People often stay with a known leader in times of crisis. Willkie's message had reached many people but the final results of the 1940 election were: Franklin D. Roosevelt, about 27 million votes; and Wendell L. Willkie, about 22 million votes.

*From John Ankenbruck's Twentieth Century History of Fort Wayne, 1975.

The Republican candidate had effectively challenged F.D.R., but the nation preferred to stay with the President. The margin was less than in 1936 but was still a wide one. Willkie did carry Indiana.

The impact of Indiana leaders on the election of 1940 was exciting. Although Hoosier candidates didn't win the presidency, they provided much of the spark and took the issues to the people.

Checkpoint

1. Why wasn't Paul V. McNutt the Democratic presidential candidate in 1940?
2. How was Wendell Willkie's nomination helped by the fact that three candidates competed strongly?
3. Was President Roosevelt doing the right thing in running for a third term? Why do you think people voted for him even though it meant breaking the two-term tradition?

Unit V
Chapter 2
Section 2 - Constitutional Crisis: Governor's Powers

- What powers did the Indiana Governor have?
- How did the General Assembly try to limit these powers?

Willkie's strength in the presidential election was reflected in Republican gains in the state elections. An era of Democratic control of the General Assembly ended. Republican majorities were sizable in both houses: in the Senate, 31-19; in the House, 64-36. Except for the Governor's office, state executive positions were all won by Republicans. Democrat Henry F. Schricker became governor with a close (889,620-885,657) victory over former Kokomo Mayor Glenn Hillis. Party differences between the Governor and the Legislature became important during the legislative session that opened two months after the election.

Newly-elected House Speaker James M. Knapp of Hagerstown proclaimed as the session opened:

"I am certain...that every member of this body (Indiana House of Representatives) recognizes the separation and independent functions of the three... branches of our state government..."

Governor Schricker, a former state senator and lieutenant governor, responded with a plea for harmony:

"We do not meet, I trust, as bloodthirsty gladiators in a political arena, but rather as conscientious, patriotic men and women..."

He went on to say that he hoped bills would not be presented for the purpose of "humiliating and embarrassing the present Chief Executive." Partisan (political party-motivated) tensions arose despite Schricker's best efforts.

In The White Hat, a biography of Schricker, Charles Fleming described the Governor as sincere in his desire to play down these partisan differences. Schricker appealed for cooperation. While he recognized political differences, he hoped to avoid direct conflicts.

The Republican grudge was really against former Governor McNutt. Republicans disliked his previous buildup of political power more than any specific action by Schricker. Schricker had even come out against McNutt's "2% club." It is interesting to guess what might have happened if Republican Glenn Hillis had been elected governor. Would Indiana Republicans have worried about the power of fellow Republicans as much as about the powers of Democrats?

One major Republican fear in 1941 was that a Democratic governor would use his power to put "his own" people in office. Critics remembered former Governor McNutt's partisan approach to appointments. They held him responsible for weakening Indiana health and prison supervision by putting unqualified people in charge just because they were Democrats. Republican partisan politics at that time were often a reaction to the previous Democratic administration.

Look over the following chart to get an idea of what powers existed and what changes were proposed:

Governor's Powers	Proposed Legislative Changes in 1941 (a sample)	Governor Schricker's Reactions
The Governor appoints state officials and members of boards, commissions and agencies. This power was expanded by Democratic Governor McNutt in the 1930's. He brought more agencies directly under his control at a time when the General Assembly, dominated by the Democratic Party, was willing to allow strong executive action in response to the economic crises of the Great Depression.	The General Assembly of 1941 wanted to bring back balance between what they saw as too powerful an executive branch and the state legislative branch. They proposed a number of so-called "ripper bills" to rip away powers to name state officials. The Governor would share these appointive powers with Republicans in naming an Attorney General, State Highway Commission, Public Service Commission and other members of state boards. This would give Republicans control over these positions and reduce the Governor's power, since he would be only one out of two or three persons making the appointments.	The power to appoint executive officials is the Governor's alone. The action of the state legislature to change these powers is unconstitutional and must be vetoed.

Although Schricker vetoed the "ripper bills," the General Assembly quickly overrode his vetoes. The question of executive powers moved quickly into the jurisdiction (legal control) of the Indiana State Supreme Court. Whenever there is a question about the "constitutionality" of a law or a governor's act, the system of checks and balances begins to work. The judicial system, with the Indiana Supreme Court at the top, had to decide.

Constitutional Issues III. Ripping Power from
the Governor: Can It Be Done?

Governor Henry Schricker saw himself in a vulnerable position. The Republican leadership planned to abolish such key offices as Attorney-General, State Highway Commission, Public Service Commission, and State Board of Tax Commissioners and create a commission to appoint persons to newly-created offices with the identical powers of those just abolished. Instead of the Democratic Governor appointing persons to these important positions, a Commission consisting of the Governor (Democrat), Lieutenant Governor (Republican), and Treasurer (Republican) would vote on all appointments. In every case, the Democratic Governor would be outvoted (2-1) and thus be unable to appoint anyone to carry out his policies.

Schricker warned the Legislature that the Republican leadership was going too far:

"But I feel it is my duty to speak for the constitutional rights and prerogatives of the executive department. I have taken a solemn oath to faithfully execute the laws of our state. This cannot be accomplished with errand-boy authority."

He argued that the Republican leadership in the legislative branch was trying to control the executive branch--a clear violation of separation of powers. The authority to appoint officers in the executive branch such as the Attorney General belonged exclusively to the Governor and was not to be shared with another branch. Schricker vetoed the Republican pro-

posals, but they overrode his veto handily in the Senate 30 to 13.

It was apparent that the only way Schricker could defend the powers of the Governor for himself and his successors was through the intervention of the third branch--the judiciary. He turned to the Marion Circuit Court for an injunction against creation of the commission for making appointments. The court agreed with the Governor and granted an injunction. The Republicans counter-attacked by filing a suit in the Indiana Supreme Court arguing that the Marion Court lacked jurisdiction. In the case known as Tucker vs. State (1941), the Supreme Court decided in behalf of Governor Schricker. The Court agreed with Schricker's argument that the main attempt to change the Public Service Commission was not to reform the Commission at all but:

"...for the purpose of placing the control of personnel of the newly created commission in a board so constituted as to deny to the Chief Executive his constitutional prerogative of appointing to office."

The Tucker vs. State decision preserved the appointive powers of the Governor and has helped to keep the Indiana Chief Executive, no matter which party, as a strong independent official. The attempt to rip power from the Governor failed. Indiana's Governor is not an errand-boy for the Legislature.

Unit V
Chapter 2
Section 3 - International Crisis: World War II

- How did Hoosiers prepare for war?
- What effects did the war have on Indiana?

Hoosiers Prepare for Another World War

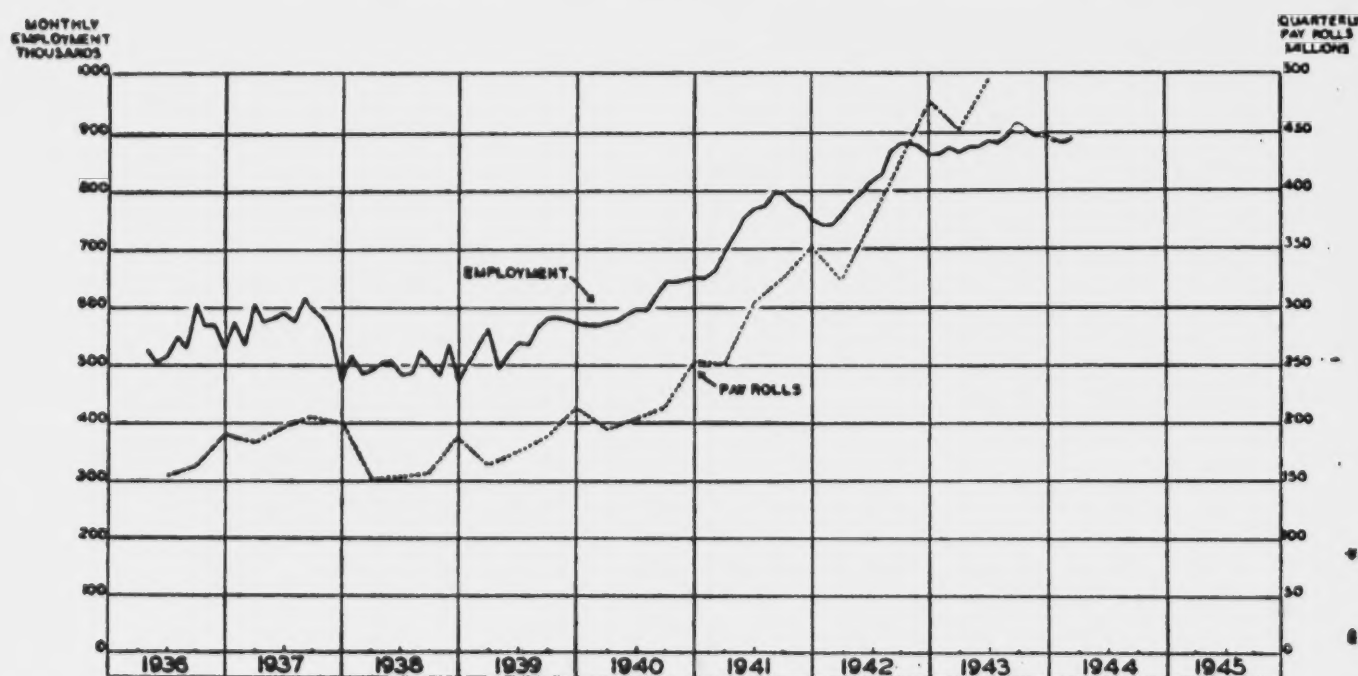
The constitutional crisis, while important, was not the major problem facing Hoosiers during this decade. Preparation for and participation in World War II totally engulfed the state. Mobilization (preparing materials and human resources) had begun well before the Japanese attack on Pearl Harbor on December 7, 1941. Some examples of Hoosier preparations are listed below.

- (1) May 30, 1940 - Governor Townsend set up an Emergency Defense Council to coordinate civilian activities. This agency, with some changes by the General Assembly in March of 1941, became a model for other states. Cooperation between business and labor and the encouragement of minority employment were among the major goals.
- (2) October, 1940 - Although Socialist Norman Thomas spoke against the draft in Bloomington, registration and lottery drawings took place around the state with little resistance. Some religious groups opposed the draft, but the vast majority of Hoosiers strongly supported it.

- (3) Early 1941 - Mobilization in Indiana now included buying farm land for a military base near Edinburg. Eventually this area would be known as Camp Atterbury.
- (4) September, 1941 - Still two months before Pearl Harbor, 68 Indiana cities and towns were making use of over \$600 million in defense contracts. Indianapolis, South Bend and Charlestown led the way, but every part of the state was affected. The Indiana Employment Service reported the effects on jobs as follows:

Indiana Pay Rolls and Employment Trends

as reflected by contribution reports from employers



From Indiana Employment Review, September, 1943.

How many jobs were added from January, 1939 to September, 1941?

- (5) September 29, 1941 - Fort Wayne's Baer Field was dedicated. Wayne Field was a possible name, but the U.S. War Department named the airfield after the World War I flying ace, Paul Baer.
- (6) Early 1942 - Mobilization expanded rapidly as the U.S. entered the fighting.

Hoosiers contributed heavily to the war effort. The initial shock was followed by some confusion. Young men left home for the battle zones while troops were coming into Indiana for training. Factory workers were in high demand, and no family was unaffected by the war.

Camp Atterbury, carved mainly out of Bartholomew County, was a prime example of these efforts. Farmers were forced to leave the area with only a few months' notice, sometimes wondering if their land and homes were worth the payments they received. In times of emergency and for the general welfare of citizens, Article V of the U.S. Constitution gives government the power to take privately-owned land. But knowing the land is necessary for national purposes doesn't make leaving any easier. Years of work on land where families had raised their children had created deep emotional attachments. When they left their homes, the farmers weren't always sure where they were going. One family had to abandon a home built by the husband and move to one without electricity; the wife's letter to the War Department in Washington finally got them

an electrical hook-up, but many families weren't so lucky. Crops were not yet planted at the "old place," and it was too late for spring planting at the "new place." The farm families survived by helping each other, but this conflict between personal needs and national needs was repeated over and over.

Once camps like Atterbury were established, the nearby communities felt the impact. Both Columbus and Franklin attempted to provide entertainment and hospitality for the soldiers but found it was not an easy task. Questions of race relations blended with economic ones. Muncie, Jeffersonville, and other places around the state faced similar adjustments as the war continued.

In his book, The Hoosier Community at War, Max Cavnes stresses how completely involved people were in the war effort. He describes the effects of military camps near Hoosier cities, how the war production made the economy boom, and how special books and lessons were used in public and private schools.

The Gary schools encouraged volunteer efforts of elementary students. Over 15,000 students collected paper and scrap metal for the war effort. They also collected phonograph records and books for the troops. Cavnes points out that these students, known as the "All Out Americans," were given awards for their efforts. They received an original brick from Independence Hall's chimney in Philadelphia as a reward for their efforts.

Indianapolis Tech High School was also involved in patriotic activities. Especially useful was the work of the Tech students in alphabetizing the 50,000 ration applications in preparation for rationing in Marion County. Throughout the state, courses were often designed with the war effort in mind. Airplane engine repair was a part of industrial arts courses in some schools. Encouraging better relations with Latin American allies led to increased numbers of Spanish classes.

It was considered a patriotic duty for Hoosier families to grow victory gardens, practice air raid warnings and buy war bonds. Everyone participated in some way:

What Would You Do?

Imagine that you are Governor Henry F. Schricker in 1942. Working with state officials and the U.S. Office of Price Administration (OPA), you have the duty of writing a public notice to the citizens of Indiana. It will appear in county court houses around the state, and will ask Hoosiers to cooperate with the rationing of essential materials.

- picture on rationing -

You have to explain that meat, sugar, gasoline, coffee, and shoes are scarce items. Ration booklets will be made available with stamps that have to be torn out by the grocer or store clerk when you purchase rationed items.

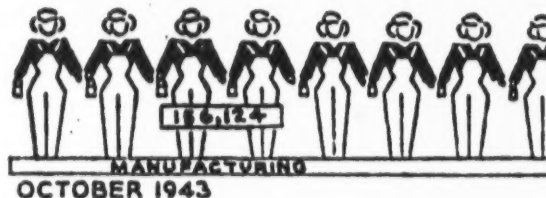
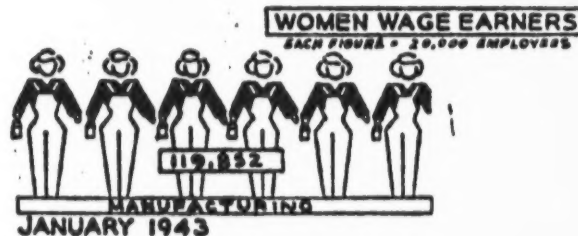
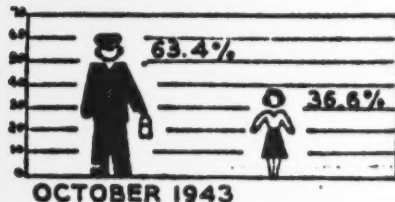
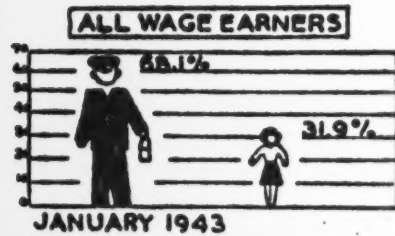
Individually or with a group, consider how you can best gain support for rationing. On the public notice mention: (a) why rationing is needed, (b) why Indiana people must do their part, and (c) how to get along with less meat, gasoline, and other essential items.

Women Enter the Work Force

Another change during World War II was the increasing employment of women. As more and more men left factories and offices for the battlefield, women took their place. All types of war equipment, from ammunition to huge battle tanks, were made by Hoosier women. This chart shows Indiana increases in female employment.

Women Factory Workers Show Increase

(Story on Page 1)



Industry	January, 1943			October, 1943			% of Increase in Female Employment Jan. to Oct.
	Total Employment	Female Employment	% Female Em- ployment rep- resents of Total Employment	Total Employment	Female Employment	% Female Em- ployment rep- resents of Total Employment	
Total All Combined Groups.....	595,088	189,783	31.9	630,912	230,667	36.6	+ 31.6
Total Manufacturing.....	438,982	119,852	27.3	461,496	186,124	40.3	+ 30.2
Iron and Steel.....	60,879	3,546	5.9	61,293	9,225	15.1	+ 260.2
Machinery.....	68,369	18,328	26.8	76,322	24,452	32.0	+ 89.6
Lumber & Allied Products.....	14,597	2,466	16.9	15,787	4,369	27.7	+ 76.9
Clay, Stone & Glass Products.....	11,263	2,131	19.0	10,803	4,049	37.5	+ 39.2
Textiles & their Products.....	19,707	18,077	91.6	16,288	19,094	117.3	+ 18.5
Leather and its Manufactures.....	1,353	757	55.9	1,143	725	63.5	+ 4.3
Foods and Kindred Products.....	27,647	6,974	25.2	24,050	11,014	45.8	+ 81.0
Tobacco Manufacturing.....	1,112	973	87.5	1,009	898	89.0	+ 4.6
Paper and Printing.....	10,985	2,797	25.5	11,243	3,162	28.1	+ 13.0
Chemicals, Petroleum Refining.....	12,864	3,630	28.2	12,870	3,167	24.6	+ 13.0
Total Non-Manufacturing.....	156,106	69,931	44.8	169,417	74,543	44.0	+ 4.8
All Retail Trade.....	107,496	55,231	51.4	111,743	59,996	53.7	+ 8.6
Wholesale Trade.....	28,577	6,819	24.0	22,640	6,644	29.3	+ 4.1
Coal Mining.....	12,173	0	0	12,024	0	0	0
Quarry, Non-Metallic Mining.....	1,476	0	0	1,632	0	0	0
Hotels.....	6,427	3,011	46.9	6,973	3,470	49.7	+ 16.6
Laundries.....	6,261	4,845	77.4	6,483	4,064	62.7	+ 19.1
Dyeing and Cleaning.....	1,721	902	52.4	1,980	1,072	54.1	+ 18.0
Railroad Repair Shops.....	6,966	130	1.9	6,983	192	2.7	+ 30.6

* Data not available.

From Indiana Employment Review, November, 1943.

- The top two manufacturing areas for female employment by October, 1942 were textiles and machinery. What were the next three in order?
- If non-manufacturing jobs are included, what other categories would be in the top five areas of female employment?
- Looking back over this top five, which areas do you think would be considered "traditional jobs" for women and which ones are "non-traditional" (not usually held by women prior to the war)?

Employment for women grew along with the overall recovery of the Hoosier economy. Defense contracts were crucial in this economic recovery. Examples of Indiana companies and their contributions to the war effort include the following:

COMPANY OR ECONOMIC UNIT	MAIN LOCATION	WAR PRODUCTS
Allison division of General Motors	Indianapolis	airplane engines and parts
DuPont	Charlestown	gun powder
International Harvester	Fort Wayne	trucks
General Electric	Fort Wayne	small engines
Cummins Engine Company	Columbus	diesel engines
Studebaker	South Bend	airplane engines, trucks and parts
Servel Refrigerators	Evansville	fighter planes, wings and ammunition
Curtis-Wright	Indianapolis	airplane propellers
Farmers	state wide	food
Rex Manufacturing	Connersville	ammunition
Eli Lilly	Indianapolis	blood plasma

Of course, the economic gains were not the whole story of the war effort. The personal costs were high. More than 10,000 Hoosiers died in combat and many were wounded.

To many Americans, the death of Ernie Pyle near Okinawa in April, 1945 symbolized the tragedy of the war. The man who faithfully reported the news about American G.I.'s became just another war casualty story. Today, the School of Journalism building at Indiana University in Bloomington bears his name.

At war's end, the parades and celebrations put these realities into the background. Yet the war had taken a terrible toll. The effects would be felt long after the official end of the fighting on September 2, 1945.

- What effects did war mobilization have on Hoosier employment?
- What are five or six examples of Indiana's contributions to the war effort?
- How did the war affect daily living in Indiana?

Chapter Checkpoint and Applications

I. Terms and Concepts to Review:

- | | |
|----------------------|----------------------|
| 1. nomination | 6. partisan |
| 2. candidate | 7. judicial review |
| 3. convention | 8. mobilization |
| 4. election campaign | 9. rationing |
| 5. election results | 10. cause and effect |

II. Applications:

1. Using the chart on page 00 as a model, make a chart of war production in your part of the state during World War II.
2. Individually or with a group, make a chart showing political causes leading to social and economic results. Begin with the war as a cause and add examples from current newspaper articles based on assigned topics. Example of an entry for your chart:

Cause

Result

Need for troop supplies
during World War II.

Rationing of gas, meat,
etc.

3. Research the main issues in an election looking for changes in the issues as the campaign continued. Put the views of two or more candidates on each issue in writing. Explain how the views are alike and different.
4. Compare and contrast the Republican/Democratic balance in the state Legislatures of 1933 and 1941. Discuss how these differences affected the legislative/executive cooperation from 1933-37 with 1941-45.
5. Research examples of U.S. Vice Presidents who became Presidents, listing names, parties and dates. Make a similar list of Indiana Lieutenant Governors who became Governors.

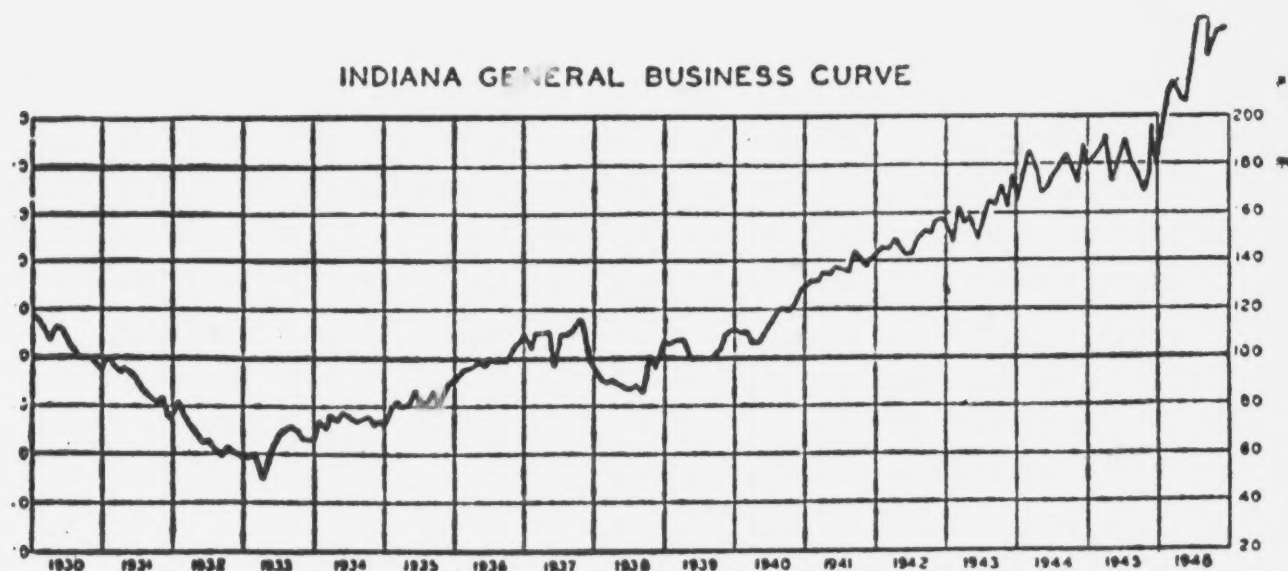
Unit V
Chapter 3 - DEFINITION AND GROWTH

When America entered the post-war period, relief over the end of bloodshed was coupled with uncertainty about America's role in the world. The nation's economy looked strong, but how would it react to the return of thousands of soldiers looking for work?

Consumer demands for low-priced and easily-available products conflicted with the demands of labor unions for fair wages. Government leaders tried to referee these demands that had been delayed until the war's end. Definitions of "fairness" often depended on who did the defining.

Many temporary economic problems were easily solved. Shortages of food and gasoline were ended in a few months. Prices rose rapidly when federal wage and price controls were removed, but most Americans were beginning to enjoy prosperity.

Hoosiers faced this combination of uncertainty and promise in similar and yet distinct ways from the rest of the nation. Short-term economic setbacks didn't dim the overall brightness of growth represented in the following chart.



From Indiana Business Review, December 20, 1946.

In some ways the Hoosier reaction to the post-war period was to turn inward. Many Indiana leaders wanted to limit government programs and questioned or refused federal aid. They were worried that such aid would bring too much outside control over Indiana's way of life. They believed that the federal controls of the Depression and World War II were no longer necessary. But was it possible to turn away from Washington completely?

These ideas were sometimes openly stated, but more often they stayed in the background. It seemed that other problems demanded more immediate attention. Curfews for young people were a major issue in communities during polio epidemics. College education was a top concern as thousands of veterans returned and enrollments ballooned.

In the 1950's, the post-war concerns gave way to civil

rights, school reorganization, and higher taxes to pay for expanded educational facilities. Intense interest in high school basketball caused heated arguments about school consolidation. These internal issues were joined by the fear of possible threats to American society in general. To Hoosiers, the threat of communism at home and overseas was a serious problem.

In this chapter you will study Hoosiers' efforts to find definitions in a growing, changing world. Look for the reasons given for decisions as well as the decisions themselves.

Unit V
Chapter 3
Section 1 - Demobilization and Home Rule

- How did the effects of WWII carry over after 1945?
- How did different Hoosier leaders view the world outside Indiana?

The victory celebrations swept Indiana in mid-August. President Harry Truman proclaimed September 2, 1945 to be V-J (Victory in Japan) Day. World War II was over, but the aftereffects remained. G.I.'s returned home and the nation began the task of demobilization, or converting the country back to peacetime. Decisions had to be made on what to do about army camps, crowded colleges and government funding.

The U.S. Congress set aside money for the states to ease the post-war transition (movement from one situation to another). Indiana was to receive a share to apply toward highways, airports, veterans' hospitals, and various other projects, but there were two "catches." Usually this money required that the state put up "matching funds." For example, if the federal government gave Indiana two million dollars for highways, the Indiana General Assembly had to "match" that amount with another two million. The second catch was that the federal government would place "controls" on the type of highway that could be built or the route it would take. Although each federal program was different, nearly all of them involved some sort of matching funds and some controls over how the money would be spent.

As the issues of demobilization and government funding were considered, Indiana voters selected their leaders. Republican Ralph L. Gates (1945-1949) and Democrat Henry F. Schricker (1949-1953) were the governors. The General Assembly was composed of Republican majorities during most of the time period. The Democrats only controlled the Indiana House for a single two-year session in 1948.

Home Rule and Federal Aid

Governor Gates' administration acted on temporary college housing for returning World War II veterans, public health programs, and state park expansion. Increased alcoholic beverage taxes raised 28 million dollars to help fund these programs. Shades State Park was established during his administration. More controversial was the question of whether Indiana should entirely take care of its own concerns. To what extent should help from the national government in Washington be used? This issue was a hot item at the 1947 legislative session and put Hoosier government in the national headlines. In January, the Republican-controlled General Assembly voted to reject federal aid. Indiana House Concurrent Resolution No. 2 was introduced by House members George Henley of Bloomington and Lothair Teetor of Hagerstown. The resolution (a statement of opinion, not a law) boldly challenged the federal government. Here is a sample of what it said:

..."We Hoosiers--like the people of our sister states--were fooled for quite a spell with the magician's trick that a dollar taxed out of our pockets and sent to Washington will be bigger when it comes back to us...We have decided that there is no such thing as 'federal aid.' We know that there is no wealth to tax that is not already within the boundaries of the 48 states.

So we propose to tax ourselves and take care of ourselves---We serve notice that we will resist Washington, D.C. adopting us."

Although it led to a battle on the House floor, the Republican majority passed the resolution. Some legislators urged a refusal of all federal aid. This emphasis, said State Senator Charles L. Fleming, would make it known that Hoosiers wanted complete "home rule," or no help at all from national funds. Fleming, who supported some forms of federal aid, was trying to show how ridiculous it was to refuse federal aid. Lieutenant Governor Richard T. James saw things differently. The resolution, without Fleming's attempted revisions, passed and according to James, "Thirty-four (Republican state senators) have voted in favor of Indiana and eleven (Democrats) in favor of Washington." Both houses of the General Assembly approved the resolution.

When Republican-sponsored Senate Bill No. 1 came up for consideration two days later, Senator Fleming took the opportunity to question a provision requesting a federal grant for Indiana hospital and health needs. He wanted the bill to include "profound apologies to the United States Government for the passage of House Concurrent Resolution No. 2."

Although the Legislature made other requests for federal

aid in 1947, Indiana was gaining a reputation for not wanting federal aid. Here are some arguments for and against federal aid:

FEDERAL AID

For

1. The U.S. Government has established means of collecting taxes.
2. Each state contributes and therefore deserves a share of these funds.
3. Some states lack the resources to pay for needed projects.
4. Some needed projects go beyond the borders of one state and would benefit many states.

Against

1. Federal aid means federal controls.
 2. Sending money to Washington and back only creates waste as the bureaucrats (government employees) employed to sort it out add costs.
 3. The problems of one state should not be solved at the expense of another.
 4. Federal spending produces inflation (rising living costs), especially when financed by federal debt.
-

When questioned about the effects of House Concurrent Resolution No. 2, Representative Henley said, "We are serious about the resolutions, but as long as 47 other states are obtaining Federal handouts, Indiana must accept them or be in the position of paying taxes for Texas, or any other of our sister states." Which side of the "For" or "Against" arguments do you think Henley agreed with? Explain.

The issue continued into the next administration under Governor Schricker. A squabble over a violation of federal

rules that the names of welfare recipients be kept secret made it uncertain whether Indiana would receive any federal aid. The crisis was resolved when Indiana agreed to follow U.S. law rather than lose millions of dollars a year.

- How are matching funds related to federal aid?
- What differences of opinion arose over federal and home rule? Can you find news stories that indicate that this same issue is still part of Indiana politics?

Unit V
Chapter 3
Section 2 - Growth and School Reorganization

- How did the growth and shift of Indiana population affect schools?
- In what ways were attempts made to provide equal educational opportunities?

Education

Indiana schools have always been involved with money issues. Like the federal aid issue, money is only part of the problem. Who controls the school and how these controls will affect students are equally important questions. These issues became even more complicated by the rapid population growth of the 1950's. But add basketball, and a statewide crisis can occur.

For decades, Hoosiers had been moving out of rural areas into larger towns and cities. However, the small school districts remained. Many educators argued that small schools could not provide as good an education as larger schools. They said that larger schools could offer more elective courses, build better facilities, and provide more equipment such as science labs or industrial arts machinery. They wanted to consolidate (bring together) several schools in a county to form a larger, more efficient school.

Many local residents resisted consolidation efforts. They wanted schools to remain in their town. They argued that smaller schools could provide more personal attention

and that students wouldn't have to be bussed to a consolidated school. They believed that having a school gave a small town a feeling of "togetherness" that would disappear without the school. And then there was basketball.

Hoosier Hysteria

The success of small schools like Milan (162 students) in the state basketball tourney in the 1950's was one reason why many Hoosiers opposed school reorganization. The even greater successes of Crispus Attucks' teams in Indianapolis during the same decade was another reason for allowing school districts to remain intact. The residents of a small town or a section of a major city shared the desire to have a basketball team to follow each year from November to March.

The advantages of forming larger schools or redrawing school district lines were often overlooked by people who wanted their own team to play in the finals game at Butler's Hinkle Fieldhouse. The thought of merging your school with others was unthinkable. Who could forget Milan's Bobby Plump stalling against Muncie Central before making a jump shot in the final three seconds to win the 1954 championship? The high scoring and outstanding all around play of Attucks' Oscar Robertson became another Indiana legend. Each town had its own stars and teams to remember even if the team never got beyond the sectional play-offs. There was always the hope that the Indiana dream would be fulfilled. Even today, Indiana and neighboring Kentucky are two of the only states

that put all schools, large and small, into the same basketball tournament. Nearly all other states use a "class" system based on school size.

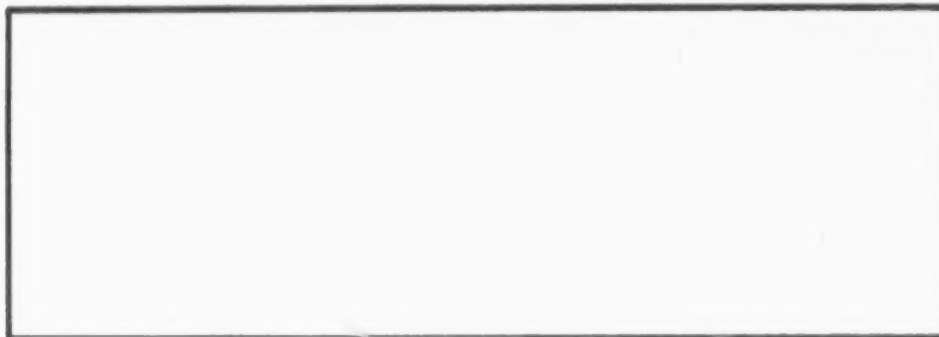
If your school was going to be consolidated, or put together with another school, what would need to be worked out to make the students feel the new school was their school? What issues are involved? Think about your responses as you read the next section. You will be asked to apply your ideas to a situation similar to the ones repeated throughout Indiana in the 1950's and 1960's.

School Consolidation

If you attend a public school in Indiana, you either live in that school district or you pay tuition to attend school outside your district. Taxpayers in your district usually don't pay exactly the same amount as people bordering the district, but they do pay property taxes that are partially intended for support of local schools. Taxes to support education are the largest part of each taxpayer's bill. If you live in an apartment, you pay the taxes as part of your rent. Thus, schools in Indiana are financially supported by people living in the area served by the school system.

In the past two decades, state-wide taxes have become more and more important as the source of money for local school budgets. Financial emergencies in the 1930's and tremendous increases in the number of students attending school

in the 1950's made the expanded state role necessary. Public school enrollment in grades 1-12 increased from 627,408 in 1947-48 to 689,215 in 1949-50 and on to 910,367 by 1958-59. This increase of more than 20,000 students per year was a result of the high birth rate of the late 1940's. This post-war "baby boom" was one of the reasons why the state government decided to share the load of supporting schools with local taxpayers. In recent years, the percentage of each school's support provided by the state has increased.



In 1949, when the state legislatures abolished segregated schools, they began to look at school district organization. The population was moving to urban and suburban areas around cities. What should be done with small rural schools?

At first, a relaxed approach was used to encourage small districts to join into larger, consolidated ones. Local resistance forced the Legislature to add teeth to the school consolidation rules. With the 1959 School Corporation Reorganization Act, they made it nearly impossible to resist consolidation. This law was meant to "provide a more equalized educational opportunity for public school pupils."

Providing equal educational opportunity for rural students as well as those in urban areas was a major challenge. A state commission was formed to review, approve, and encourage consolidation plans throughout the state. Although one school district has successfully fought consolidation for over 20 years, most have been consolidated.

Assume that you are a member of a group investigating three locally-designed plans for school consolidation. You realize that tempers may flare when such changes are made. As a member of the state commission, you can't please everyone. Other members of the class will represent people from each of three townships. In any case, you must reach a decision on one of the plans within this guideline: each grades 9-12 high school must have an average of at least 300 students attending daily. This average daily attendance (ADA) is often used for funding purposes as well. You will not bother with specific tax rates, and you will be asked to consider only grades 9-12. Actual consolidation plans apply to all grade levels. The current school districts are divided by township with three high schools, grades 9-12, as follows:

Township I
200 (ADA)
high school
students

Township II
600 (ADA)
high school
students

Township III
250 (ADA)
high school
students

You have three possible plans from which to choose:

	<u>Advantages</u>	<u>Disadvantages</u>
<u>Plan A:</u> 1 high school serving all 3 townships	Funds put together for the 3 schools will improve the number of courses offered, school materials provided, and extracurricular activities made available.	The separate identities of the 3 schools will be lost. Taxes will increase in Townships I and III. Transporta- tion costs are unknown, but are a factor to consider.
<u>Plan B:</u> 2 high schools, each serving 1½ townships	Two out of 3 town- ships will hold onto their identities. Some pooling of re- sources is possible.	The township without a school will really fight the plan. There will be less pooling of resources than under "plan A." Transporta- tion costs are still unknown.
<u>Plan C:</u> Maintain the 3 high schools but transfer enough Town- ship II stu- dents to the other 2 schools to allow for over 330 stu- dents in each school	All 3 schools will maintain identities with a majority of the students not affected.	Some students will be singled out to be transferred, producing friction in Townships I and III. Maintaining 3 separate schools is costly and inefficient for reasons mentioned elsewhere.

If you live in an urban school district, you may notice that some of these arguments may apply to you. "One way" busing of minority students may be similar to the problem of certain students being "singled out" to have to go to another township's schools in plans B and C. Plan A avoids that problem only to intensify concerns about losing one's "neighborhood" school.

With your own community in mind, discuss this issue. Or your teacher might have you role-play the decision using plans A, B, and C as options.

- What response might you expect from a student in Township II who will be transferred if plan B or C is selected?
- What would be the likely response of a parent in Township III to plan A?
- What would be the possible response of a state commission member who wants to make the most efficient use of tax dollars?

School Desegregation and Civil Rights

The question of providing equal educational opportunity becomes even more complex when the issue of desegregation is considered. Separation of students by race was common throughout much of the nation until the 1950's. Then national court decisions legally required desegregation, especially Brown vs. the Board of Education of Topeka, Kansas in 1954. Indiana had begun to desegregate schools before it was forced to, but further progress was necessary to completely integrate the schools. This issue still causes controversy in some Indiana cities and towns.

Education was only one of the areas in which civil rights received increasing attention. Educational opportunity was a first step. Job opportunities and open housing were other areas in which Indiana, along with the rest of the nation, had to make changes in laws and customs. The civil rights movement, directed by such leaders as Martin Luther

King, Jr., made a definite impact on Indiana in the late 1950's and early 1960's. State and local human relations commissions investigated discrimination charges and helped the state move toward equality for all its citizens. These efforts led to greater awareness of the rights of other minorities. Ethnic groups, particularly those of Afro-American, East European and Hispanic origin in the Calumet region, and women's groups held rallies and pressured the state government for an end to discrimination.

- Why did the state encourage school consolidations?
- Why does school consolidation produce heated debates?
- How are the issues of school consolidation and school desegregation related?

Unit V
Chapter 3
Section 3 - Right-To-Work Law and Other Issues

- What is a right-to-work law?
- What other major issues were debated in Indiana politics in the 1950's and early 1960's?

The growth of unions since the 1930's often brought the issues of the rights of workers into the news and legislative debates. Unions were strong in some industries and weak in others. Management sometimes wanted to hire workers who were not union members because they believed that would eliminate strikes. Union leaders felt that such hiring practices would take labor relations back to the 1920's, when organizing a union was often used as a reason for firing workers.

American images of labor unions after World War II were often built on news segments called "newsreels" shown at movie theaters. The audience expected these newsreels just as much as cartoons, previews, and the main feature. Going to the "show" often meant seeing labor leader John J. Lewis in the newsreels. His impact on a movie screen was tremendous. He was a big man with bushy eyebrows and a tough expression that made people feel he and the mine workers "meant business."

Lewis and other labor leaders were opposed by Senator Robert Taft of Ohio. Taft's ordinarily mild manner could become as tough as Lewis' when he spoke about unions. Taft

led congressional forces in the enactment of the Taft-Hartley Act of 1947. Passed over President Truman's veto, the law put a brake on the growing power of unions.

The Taft-Hartley law included a provision allowing states to pass right-to-work laws. Such a law made it possible for a worker to choose whether or not to join a union. Business leaders saw this provision as a matter of individual freedom. Union leaders saw things differently. They believed it would cancel the gains labor had made in the previous ten to fifteen years.

By 1957 several states had adopted right-to-work laws, and the issue went to the Indiana General Assembly. Pressure for the law in the Hoosier state increased with the publicity about strikes and the news stories about violence associated with them. The mood in Indiana was much like the national mood that had led to the passage of the Taft-Hartley Act ten years earlier.

Some historians believe the violence that accompanied the 1955 Perfect Circle strike in Newcastle and another strike at Princeton in 1957 was a factor in the legislators' decisions.* A four-month-old baby was shot in Princeton while his non-union father worked during the strike. As the baby recovered from the shooting, the Legislature debated the right-to-work bill. Led by Republicans, both the House and Senate passed the bill by a narrow margin. Governor Harold W. Handley decided to allow the bill to become law without his signature, following the procedure in the Indiana

*For example, Fred Witney in Indiana Labor Relations Law, 1960.

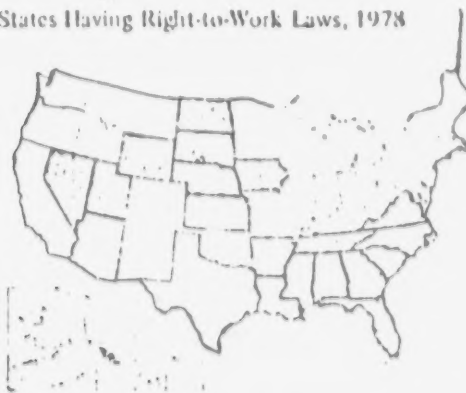
Constitution that says:

"He (the Governor) may refuse to sign or veto such a bill in which event it shall become a law without his signature..."

(Article 5, Section 14)

The law went into effect on June 25, 1957, and it became illegal "to exclude from employment by reason of membership or non-membership in a labor organization." The law lasted until another Legislature repealed it in 1965. Most of the industrialized states of the Great Lakes and northeastern regions of the United States do not have right-to-work laws, but it is still a controversial issue in Indiana and throughout the country.

States Having Right-to-Work Laws, 1978



NOTE: Indiana dropped its right-to-work law in 1965. Louisiana did not have a general right-to-work law during 1967-1972. According to the U.S. Department of Labor, states that now have these laws on the books are Alabama, Arizona, Arkansas, Florida, Georgia, Iowa, Kansas, Louisiana, Mississippi, Nebraska, Nevada, North Carolina, North Dakota, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, and Wyoming.

From Indiana Business Review, September/October, 1978, page 8.

Republicans in Power

The ability of the Republican Party leadership to pass the 1957 right-to-work law was a result of the political control they had at the time in Indiana. After Democratic Governor Schricker left office in January, 1953 the state was solidly Republican until 1958.

In addition to Republican control in the Legislature and the Governor's office, the party sent Senators William E. Jenner of Bedford and Homer E. Capehart of Washington to Washington, D.C. U.S. Representative Charles A. Halleck of Rensselaer was the Republican leader in the House for ten of the years from 1947 to 1964. Thus Hoosier Republicans were extremely influential in national politics during the 1950's.

Although most Indiana delegates to the 1952 national convention supported Senator Robert Taft for President, Hoosier voters were pleased with Dwight D. Eisenhower in the 1952 and 1956 elections. Even in 1960, when Republican Richard Nixon was defeated by Democrat John F. Kennedy, Hoosier voters gave Nixon over 55% of their votes.

John Birch Society

Although Republicans are usually considered more conservative than Democrats, an even more conservative group began in Indiana in the 1950's. The John Birch Society was named for an American pilot shot down over Communist-held China. This strongly anti-communist group believed that President Eisenhower's actions toward communism were not tough enough.

The Society's leader, Robert Welch, even suggested that Ike was a communist sympathizer. This attack on war-hero Eisenhower did not help the Birch Society in Indiana.

Although the Birch Society was founded in Indianapolis in 1958 and has bookstores in several Indiana communities, the organization apparently has few members. You may have seen their highway billboards criticizing the United Nations. Hoosiers tend to express criticism of communist policies and actions through elected leaders. Although in the 1950's Hoosiers joined the national concern over possible communist threats to American society, they were generally satisfied with the moderate approach of President Eisenhower rather than the more extreme policies of the John Birch Society.

State Government

With a few exceptions, the general trend of Indiana state politics in the 1950's was also moderate. After the turmoil of World War II, people preferred government leaders who promised stability rather than change.

Republican Governor George N. Craig helped improve benevolent (helping) organizations. His American Legion experiences had included directing an effort to collect and send toys to children in other countries. As governor, he improved mental health programs and placed prisons under the newly established Department of Corrections.

Craig's hopes for further public service ended when it was revealed that some of his advisers had accepted bribes in

return for highway construction contracts. Several historians feel that this scandal, which was not traced to him personally, caused his accomplishments to be underrated.

Governor Harold W. Handley took office in 1957 after a term as Lieutenant Governor. In addition to the right-to-work controversy described earlier, the new governor took office at a time when the Legislature faced an important economic issue, the need for more taxes to support state government. Tax increases on incomes and gasoline were put into effect. Although these measures helped local governments as well as the state, the increases angered many people. Handley became known as "High Tax Harold."

In 1958, when Republican Senator William E. Jenner decided not to run for re-election, Governor Handley took the unusual step of running for the U.S. Senate in the middle of his term. His opponent was Democrat Vance Hartke, the Evansville mayor. Perhaps because of the Republican tax increases, Democrats such as Hartke were generally successful in 1958.

In 1959 there were Democratic victories in many city elections around the state. At the same time, the 1959 legislative session produced the school consolidation law (see page 00) and some revisions in the property tax. Construction began on a new state office building. Completed in 1961, the building eased crowded conditions for state officials.

- picture of state office building -

Handley and the Republicans may have been "in the wrong place at the wrong time." Handley's support for high taxes was probably necessary if the state was going to improve highways and other state services. The increases allowed federal funds to become available for highway building. Hoosiers have been known to grumble about road conditions but resist the taxes necessary to improve them. Governor Handley seemed to get caught in the middle of this conflict.

In Indiana, the period from 1945 to 1950 was one of population and economic growth. Hoosier leaders responded in various ways, but the state maintained a moderate direction. Demobilization after the war created some temporary uncertainty at first, but the times were generally prosperous.

New definitions of equal opportunity in schools brought the beginnings of desegregation in urban areas and consolidation in rural areas. The full impact of school reorganization and the search for equality was yet to come. Basketball fans were one of the major interest groups in both these struggles. Pressure groups also took different sides in labor-management relations. The passage of a right-to-work law angered the strong labor unions in Indiana. The law was repealed in the 1960's. Highways, mental health, and taxes were debated along with other issues. The concern for protecting Hoosiers from outside controls made the General Assembly cautious about accepting federal aid.

- What were the circumstances that led to the passage of Indiana's right-to-work law?

- What were the usual views of labor leaders concerning this right-to-work law?
- What is meant by moderate? How well does this label fit various Hoosier leaders of the 1950's? Explain.

The Industrialist and Foundations

Indiana changed greatly in the period that included the Depression, World War II, and the post-war years. Industrialists and business leaders directed the rapid growth of the Indiana economy. These leaders invested in equipment, raw materials and even in community pride. They were interested in social and political issues as well as running a business.

Job cutbacks in the thirties and the tremendous war production of the forties showed how important industry was to Indiana. Some larger businesses established "foundations." These non-profit organizations, often bearing the name of the company, use money given by the business leaders for worthy purposes. Accomplishments are judged by service to people and not by profits.

Foundation grants are sometimes combined with tax money and private dollars to support projects. This partnership approach was and is obvious in the grants for educational purposes from the Indianapolis-based Lilly Endowment, Inc. (established in 1937) and the Krannert Charitable Trust (1960). The Irwin-Sweeney-Miller and Cummins Engine Foundations

have served Columbus well. The city's school and church architectural fees have foundation backing in this "Athens of the Midwest." Other major Indiana foundations include the Ball Brothers Foundation, the Anderson Foundation, the Clowes Fund, the Indianapolis Foundation and the Liberty Fund. Many other foundations support worthwhile projects throughout the state.

Parks in Fort Wayne, hospitals in Muncie, colleges and universities throughout the state, and even the book you are reading now are the result of foundation grants. While making a profit is still the measure of success in the state's production of medicines, diesel engines, soy beans, and canning jars, Hoosier industrialists have improved Indiana's way of life through non-profit foundations.

Chapter Checkpoint

I. Terms and Concepts to Review:

- | | |
|-----------------------|---------------------------|
| 1. demobilization | 7. school consolidation |
| 2. transition | 8. desegregation |
| 3. matching funds | 9. right-to-work law |
| 4. setting priorities | 10. moderate |
| 5. controversial | 11. benevolent |
| 6. federal aid | 12. non-profit foundation |

II. Questions:

1. What are "matching funds"? Explain how they have been used to finance Hoosier highways.
2. What views of federal aid were expressed by the backers of IN House Concurrent Resolution No. 2 in 1947? What were some other views of federal aid?
3. What factors led to calls for changes in school district lines? Discuss two factors thoroughly.

4. Basketball entered into the school district issue in what ways?
5. What was the purpose of Indiana's 1957 "right-to-work" law?
6. In addition to labor laws, how else did Indiana Republicans show their support for Ohio's Senator Robert A. Taft (R)?

III. Applications:

1. You and members of your group will interview people in your community and report on one of the following:
 - (a) views of right-to-work laws
 - (b) views of school district lines
 - (c) views of the federal aid
2. Make a list of 5-10 people mentioned in this chapter after a class discussion in which the class agrees to the list. Individually or in small groups make written predictions as to which three will be most often recognized by governmental position or ideas. Do an informal survey and check your predictions. Although your results are not to be viewed as scientifically accurate, they should provide the basis for and interesting class discussion.
3. In a class discussion see how many examples of school consolidation you can list. An individual or group of students from the class could then interview a coach or the athletic director to get further examples. Discuss the examples, considering the effects on male and female athletics in Indiana.